

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3044
ANSWERED ON:02.08.2002
SEPARATE BANK FOR DRDA
AMBATI BRAHMANAIAH

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a proposal to start a bank exclusively to finance activities of the District Rural Development Agencies all over the country;
- (b) if so, the details thereof;
- (c) whether DRDAs have not been able to ground a number of schemes due to lack of support from banks; and
- (d) if so, the steps taken/proposed to be taken to take the cooperation of banks to implement rural development schemes?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

(a): No, Sir.

(b): Does not arise.

(c) & (d): Reserve Bank of India (RBI) has reported that banks have been active participants in all Government Sponsored Credit Linked Schemes. RBI closely monitors the performance of banks and has advised them to achieve the targets set under the various Government Sponsored Poverty Alleviation Programmes. RBI has also instructed the banks for greater coordination of work between bankers and Government functionaries and to minimize the gap between receipt of loan applications, their sanction and disbursement. It has also been reiterated that the applications under various schemes should be sanctioned within the prescribed time limit. Further, under Swarnajayanti Gram Swarojgar Yojana (SGSY) banks have been advised to participate in the block and district level meetings regularly. Lead banks have been advised to issue suitable instructions to the banks in their lead districts to ensure their participation and to exchange/share relevant information with Government functionaries. Banks have also been advised to organize district-wise intensive one day sensitization camps/workshops for their branch officers.