

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2326
ANSWERED ON:23.07.2004
LOANS TO CUSTOMERS IN RURAL AREAS
Paswan Shri Sukdeo

Will the Minister of FINANCE be pleased to state:

- (a) whether nationalised banks are not providing loans to their customers in rural areas;
- (b) if so, the reasons therefor;
- (c) whether there is big difference between deposit and advances in maximum nationalized banks in rural areas in Bihar; and
- (d) the steps taken by the Government to rectify the disparity for grant of loans/advances to the customers/farmers in rural areas in Bihar through nationalized banks ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) & (b) :- Reserve Bank of India (RBI) have reported that the nationalised banks are providing loans to their customers in rural areas.
- (c) :- RBI have reported that there are twelve nationalised banks having rural branches in the state of Bihar. The position of Credit Deposit (C D) Ratio in this regard as on 31st March, 2004 varies between 19.88 per cent to 41.93 per cent.
- (d) :- RBI has taken up the issue of low C D Ratio in Bihar with banks, State Government agencies and financial institutions in the State as also in DLCC/DLRC/SLBC meetings. As a result, the C D Ratio of all banks in the rural areas in the state has improved from 24.42 per cent as on 31st March, 2003 to 28.75 per cent as on 31st March, 2004.