

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:181

ANSWERED ON:03.07.2009

LOANS UNDER SGSY

Swamygowda Shri N Cheluvarya Swamy

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Banks are charging high and variable interest rates on loans being provided to the Swarozgaries under the Swarnajayanti Gram Swarozgar Yojana (SGSY);

(b) if so, the details thereof; and

(c) the corrective steps taken / being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN `ADITYA`)

(a) to (c): Some States / State officials do report the charging of interest rate above Prime Lending Rate (PLR) by some banks in the Central Level Coordination Committee (CLCC) meetings, Performance Review Committee (PRC) meetings and Project Directors` (PD) Conference. The Ministry has immediately taken up the matter with RBI, States and Ministry of Finance, NABARD to take corrective measures. The issue of charging high interest rates by the banks has always been agenda item of above meetings. Hon`ble Minister (RD) has taken up the matter with the Hon`ble Minister of Finance on the issue.