

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1725

To be answered on the February 13, 2023/Magha 24, 1944 (Saka)

Bank Loans

1725. SHRI ASADUDDIN OWAISI:

Will the Minister of FINANCE be pleased to state:

- (a) whether in the past industry have been the major recipient of bank credit accounting over 60 per cent of bank loans;
- (b) if so, whether home loans and personal loans have over taken the loans to business;
- (c) if so, the reasons therefor;
- (d) whether credit to manufacturing business has grown at lower pace as compared to other sectors; and
- (e) if so, the details thereof along with the present position of bank credit to industries and other segments like personal and home loans and their rate of growth?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a) to (c): As per the Reserve Bank of India's (RBI's) Report on Trend and Progress of Banking in India 2021-22, deployment of credit by the Scheduled Commercial Banks (SCBs) to Industry in FY 2019-20, FY 2020-21 and FY 2021-22 is 32.2 per cent, 30.6 per cent and 29.6 per cent of gross bank credit, respectively. Further, deployment of credit by SCBs to business (comprising Industry and Services) and Retail (comprising Home Loans, Auto Loans, Education Loans etc.), as on Mar-22, is ₹ 66.57 lakh crore and ₹ 33.94 lakh crore, respectively.

(d) and (e): The growth of credit deployment by SCBs to industry, services and retail loans for FY 2021-22 is 7.8 per cent, 14.7 per cent and 13.6 per cent, respectively, the details of which are at Annex.

Lok Sabha Unstarred Question no. 1725 for answer on 13.2.2023 regarding “Bank Loans”

Sectoral Deployment of Gross Bank Credit by SCBs

(amount in ₹ crore)

Sr. No.	Item	Outstanding at end		
		Mar-20	Mar-21	Mar-22
1	Agriculture & Allied Activities	12,39,575	13,84,815	15,16,303
2	Industry, of which	32,52,801	32,53,636	35,08,744
	Micro & Small Industries	4,37,658	4,72,529	6,14,037
	Medium	1,12,367	1,87,599	2,63,959
	Large	26,11,377	24,76,702	24,88,228
3	Services	27,54,823	27,45,324	31,48,321
4	Retail Loans, of which	26,59,249	29,86,457	33,94,028
	Housing Loans	13,96,444	15,61,913	17,54,298
	Consumer Durables	11,154	21,569	37,349
	Auto Loans	2,89,366	3,29,522	3,79,139
	Education Loans	79,056	78,823	84,677
	Other Retail Loans	8,83,229	9,94,630	11,38,565
5	Other Non-Food Credit	1,38,439	2,09,869	2,27,268
6	Non-food Credit (1- 5)	1,00,44,887	1,05,80,100	1,17,94,665
7	Gross Bank Credit	1,00,98,420	1,06,40,808	1,18,53,392

Source: RBI's Report on Trend and Progress of Banking in India 2021-22 Off-site returns (domestic operations)
