

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:2823  
ANSWERED ON:09.08.2000  
FOOD PROCESSING INDUSTRIES  
RAMSHETH THAKUR

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether there is a big gap of credit ratio between agriculture and food processing sector;
- (b) if so, the details thereof and the reasons therefore; and
- (c) the steps being taken by the Government to bridge the gap?

**Answer**

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES ( SHRI TH. CHAOBA SINGH )

(a) to (c): Access to adequate bank credit is recognized as a major constraint in the growth and development of food processing industries. Considering the demand of the industry and in view of the vast potential for growth of the food and agro based processing sector, Government has included this sector within the definition of priority sector bank lending.

The targets for lending to priority sector and its sub-sectors for Indian Commercial Banks are :-

Total Priority Sector – 40% of Net Bank Credit, of which to Agriculture 18% of Net Bank Credit – Weaker Sections 10% of net Bank Credit.

No separate target within priority sectors has been fixed for lending to food and agro based processing sector.