

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:364
ANSWERED ON:20.11.2009
AGRICULTURAL LOANS BY PRIVATE AND FOREIGN BANKS
Joshi Shri Mahesh

Will the Minister of FINANCE be pleased to state:

- (a) whether private and foreign banks are reluctant to grant agricultural loans;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the comparative details of agricultural loans as compared to other loans granted by the said banks during each of the last three years, State-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c) : As per Reserve Bank of India's extant guidelines on lending to priority sector, a target of 18 per cent of Adjusted Net Bank Credit (ANBC) or credit equivalent amount of Off-Balance Sheet Exposure, whichever is higher, has been stipulated for domestic commercial banks (including private sector banks) for lending to agriculture sector. As regards foreign banks operating in India, no target has been stipulated for agriculture lending.

Comparative details of agricultural loans as compared to other loans granted by private sector domestic commercial banks in the last three years are placed at Annex.