

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1458  
ANSWERED ON:27.11.2009  
LOAN TO FARMERS  
Reddy Shri Anantha Venkatarami

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

- (a) whether the Government has conducted any review of the performance of the technical Committees constituted in each district for sanctioning of crop loans by banks in the country;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to ensure proper availability of loans to the farmers by the banks in the country including Andhra Pradesh?

**Answer**

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

(a) to (c): The Government of India, Reserve Bank of India(RBI) and National Bank for Agriculture and Rural Development (NABARD) have taken several steps to ensure the proper availability of loans to farmers by banks in the country, including Andhra Pradesh. A few such measures include according priority sector status to agriculture and stipulating a target of 18 per cent of the Adjusted Net Bank Credit (ANBC) (within the overall target of 40 per cent of ANBC for priority sector lending) for lending to agriculture by domestic scheduled commercial banks; introduction of Special Agricultural Credit Plan (SACP), under which the banks are required to fix self-set targets (a certain percentage higher than previous year's disbursements) and strive to achieve disbursements to that level; introduction of Kisan Credit Card (KCC) Scheme to address the credit needs of the farmers in a more holistic manner; simplification of procedural aspects of farm credit and thereby encouraging the farmers to approach the institutional sources for credit; introduction of Debt Waiver and Debt Relief Scheme (ADWDRS 2008) for farmers for easy flow of institutional credit to agriculture, which had become clogged due to the debt burden on the farmers, etc.

As a result, agri-credit targets set for all agencies have been achieved in excess. Agency wise achievements vis-a-vis annual target for 2007-08 and 2008-09 are given below:

(Amount in Rs.Crore)

Agency 2007-08 2008-09(Provisional)

Target Achiev %of Target Achiev %of  
ement achvt. ement achvt.

Comm Banks 1,50,000 181,087.61 120.72 1,95,000 223663.02 114.70

Co-op Banks 52,000 48,258.19 92.80 55,000 36761.99 66.84

RRBs 23,000 25,311.65 110.05 30,000 26724.18 89.08

Total 225,000 254,657.45 113.18 2,80,000 287149.19 102.55

(Source: NABARD)

In the Budget Speech for 2009-10, the Hon`ble Finance Minister has set a target of Rs.325,000 crore for Agricultural Credit by all agencies.

NABARD through its regional offices takes the lead in preparation/ revision of scale of finance with the District Level Technical Committees in order to facilitate the adequate flow of credit for the seasonal agricultural operations.