

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1637  
ANSWERED ON:19.11.2010  
ADVANCES TO AGRICULTURE  
Shetkar Shri Suresh Kumar

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

- (a) whether banks are required to set aside 18 per cent of their total advances for agriculture;
- (b) if so, the details thereof, State-wise and bank-wise; and
- (c) the action taken/being taken by the Government against the Banks who fail to achieve the said target during the last three years and the current financial year?

**Answer**

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

(a) to (c): Reserve Bank of India has reported that under the priority sector lending guidelines, it has fixed a target of 18 per cent of Adjusted Net Bank Credit (ANBC) or credit equivalent amount of Off-Balance Sheet Exposure, whichever is higher for domestic scheduled commercial banks for lending to Agriculture. The Bank wise details of advances to Agriculture by domestic scheduled commercial banks as on the last reporting Friday of March 2010 are given at Annex-I. State wise details of advances to Agriculture as on last reporting Friday of March 2010 are given at Annex-II.

Domestic scheduled commercial banks having a shortfall in lending to the priority sector lending target and sub targets are required to contribute to the Rural Infrastructure Development Fund (RIDF) established with National Bank for Agriculture and Rural Development(NABARD) or Funds created with other Financial Institutions, as per allocations specified by the Reserve Bank.