

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2917
ANSWERED ON:29.08.2012
CROP LOAN RULES
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Will the Minister of FINANCE be pleased to state:

- (a) whether the farmers could not get crop loan in time this year;
- (b) if so, the details thereof, State-wise along with the rules/policies of the Government in this regard;
- (c) whether the banks are following these rules strictly; and
- (d) if not, the reasons therefor?

Answer

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

(a) to (d) : The Government of India has been setting annual targets for the flow of credit to the agriculture sector. The target for the year 2011-12 was Rs. 4,75,000 crore against which the achievement was Rs. 5,11,029 crore (provisional) as at the end of March 2012. State-wise details are given at Annex. The target for the year 2012-13 has been set at Rs.5,75,000 crore. Against this target, upto 30.6.2012 the credit flow for crop loan was Rs.112,771.80 crore to 1.68 crore farm loan accounts.

In terms of Reserve Bank's extant guidelines on lending to priority sector, a target of 40 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on March 31 of the previous year, has been mandated for lending to the priority sector by domestic scheduled commercial banks, both in the public and private sector. Within this, a sub-target of 18 per cent of ANBC or Credit Equivalent amount of OBE, whichever is higher, as on March 31 of the previous year, has been mandated for lending to agriculture sector.

The domestic scheduled commercial banks, including public and private sector banks, which fail to achieve the priority sector targets/sub-targets are required to deposit their lending shortfall through the RBI to Rural Infrastructure Development Fund (RIDF) and similar other funds.