

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2366  
ANSWERED ON:07.12.2012  
LOAN FOR TRACTORS  
Ram Shri Purnmasi

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

- (a) the details of the schemes implemented/being implemented by the Government to provide loan facility to farmers for buying tractors;
- (b) whether there is any difference in price of a tractor bought through bank loan and a tractor bought by farmers making cash payment;
- (c) if so, the details thereof;
- (d) whether the Government proposes to make a simple policy for providing grants to the farmers to purchase tractors; and
- (e) if so, the details thereof?

**Answer**

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

- (a): According to the Priority Sector Lending (PSL) guidelines issued by the Reserve Bank of India all domestic commercial banks are required to lend 18% of Adjusted Net Bank Credit (ANBC) or credit equivalent amount of Off-Balance sheet Exposure, whichever is higher to the Agriculture Sector. This includes Advances to Agriculture Machinery and implements. Government sets targets of Agricultural Credit Flow to Agriculture Sector every year.-For the year 2012-13 an amount of Rs. 5,75,000 crore has been fixed.
- (b)& (c): The Banks have no role in deciding the price of tractors sold in open market.
- (d)&(e): No such proposal is under consideration of the Government.