

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:147

ANSWERED ON:22.02.2013

AGRICULTURAL CREDIT

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Will the Minister of FINANCE be pleased to state:

- (a) the details of the targets set for Agricultural credit disbursal and the actual credit extended to the Agriculture sector including small and marginal farmers during the last three years and the current year, State-wise and Year-wise;
- (b) the details of the procedure being adopted to set the credit disbursal targets to the Agricultural sector;
- (c) whether the Government has assessed the impact of Agricultural credit disbursed to the farmers at subsidized rates in respect of development and progress of the sector;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the majority of small and marginal farmers in the country are still dependent on the unorganised sector for obtaining credit and continue to pay high rates of interests; and
- (f) if so, the details thereof along with the Government's reaction thereto?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) The targets and achievement made during the last three years and current year in respect of agriculture credit flow, including small/marginal farmers, is as under :-

(Amount in crore)

Year	Target	Achievement	SF/ MF	Amount disbursed
2009-10	3,25,000	3,84,514	1,18,277.11	
2010-11	3,75,000	4,68,291	1,63,189.65	
2011-12	4,75,000	5,11,029#	2,21,329.24#	
2012-13	5,75,000	3,52,635##	1,54,977.97#	

Provisional ## Up to November 2012 (Provisional)

State-wise details of the amount disbursed during 2009-10, 2010-11 and 2011-12 and 2012-13 (upto November, 2013) is at Annexure I to IV.

(b) Considering the need of enhancing the flow of credit to the agricultural sector, the Government sets annual targets for flow of credit to agricultural sector taking, inter alia, into account the overall banking credit growth. Target for flow of agricultural credit has increased from Rs. 3,25,000 crore in 2009-10 to Rs. 5,75,000 crore in 2012-13. Further, under the Priority Sector Lending Guidelines, issued by the Reserve Bank of India (RBI), all Scheduled 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, as agricultural advances.

(c) & (d) Under the Interest Subvention Scheme, short-term crop loans upto Rs. 3 lakh are being disbursed by Public Sector Banks (PSBs), Regional Rural Banks (RRBs) and Cooperative Banks at interest of 7% per annum. Additional subvention is also being extended to such loanees who repay their loan in time. The additional subvention was 1% in 2009-10, 2% in 2010-11 and 3% in 2011-12 and 2012-13. The number of crop loan accounts have increased from 482.30 lakh in 2009-10 to 646.57 lakh in 2011-12, registering an increase of 34%.

(e) & (f) Year-wise details of number of small and marginal farmer accounts, out of total crop loan accounts, during the last three years and current year are as under:-

(Accounts in lakh & Amount Rs. crore)

Year	No. of A/Cs SF/MF	No. of A/Cs A/Cs	No. of A/Cs pertaining to	% share to total number of
2009-10	482.30	284.73	59.04	
2010-11	549.60	335.95	61	
2011-12	646.57	404.82	62.61	
Upto November 2012 #	462.18	284.09	61.47	
# Provisional				