

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2833  
ANSWERED ON:13.03.2015  
AGRICULTURAL CREDIT  
Kodikunnil Shri Suresh

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

- (a) whether the Government has fixed any target for the flow of agricultural credit;
- (b) if so, the target fixed for the 12th Plan period and the achievement made thereon so far; and
- (c) the details of outflow of agricultural credit, State-wise during the last three years?

**Answer**

The Minister of State in the Ministry of Finance (Shri Jayant Sinha)

(a) to (c): As per Reserve Bank of India (RBI)'s extant guidelines on Priority Sector Lending (PSL), all domestic Scheduled Commercial Banks(SCBs) have been mandated to earmark 40% of their Adjusted Net Bank Credit(ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure(OBE), whichever is higher, as on March 31 of the previous year, for lending to priority sector. It also includes a sub-target of 18% for lending to agricultural sector. Foreign banks with 20 or more branches are required to meet this target in a phased manner over a maximum period of 5 years starting 1.4.2013 to 31.3.2018.

Besides, Government of India has been setting an annual target for the flow of credit to the agriculture sector.

The agriculture credit target for the plan period is guided by the estimation made by the Working Group on Institutional Finance on the ground level credit flow during XII Five Year Plan and considered by the Steering Committee of the Planning Commission as achievable. The Working Group on Institutional Finance had estimated that the ground level credit to agriculture during the XII plan period is likely to be in the range of Rs.33,89,261 crore to Rs.42,08,454 crore.

The details of target and achievement in respect of agricultural loans during the last three years are as follows :-

(Rs. in crore)

Year	Target	Achievement
2011-12	4,75,000	5,11,029
2012-13	5,75,000	6,07,376
2013-14	7,00,000	7,30,765.61#

# Provisional (Source: NABARD/IBA/PSBs)

The agriculture credit target for 2014-15 has been fixed at Rs.8,00,000 crore.