

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2502  
ANSWERED ON:25.07.2014  
PRIORITY SECTOR LENDING  
Mani Shri Jose K.

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

- (a) whether the Bank Credit is flowing to the desired sectors under the Priority sector advances scheme/programmes of the Government;
- (b) if so, the details thereof;
- (c) whether the Government had made any study on the sectors and sub- sector towards which bank credit is flowing: and
- (d) if so, its impact on the economy and the outcome of the study thereof ?

**Answer**

(MINISTER OF STATE IN THE MINISTRY OF FINANCE) (SMT. NIRMALA SITHARAMAN)

(a) & (b) In terms of Reserve Bank's extant guidelines on lending to priority sector, a target of 40 per cent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on preceding March 31st, has been prescribed for lending to the priority sector by domestic scheduled commercial banks, both in the public and private sector, and foreign banks with 20 and more branches. Within this, sub-targets of 18 per cent and 10 per cent of ANBC or Credit Equivalent amount of OBE, whichever is higher, as on preceding March 31st, have been prescribed for lending to agriculture and the weaker sections, respectively. The details of lending to Priority Sector is Annexed.

(c) & (d) Government of India has various poverty alleviation and employment generation programmes. The credit flow under them is monitored by Reserve Bank of India and the concerned Ministries of Government of India.