

Government of India  
Ministry of Finance  
Department of Financial Services

LOK SABHA  
Unstarred Question No. 1495  
To be answered on Monday, July 01, 2019/Ashadha 10, 1941 (Saka)  
Loan to Farmers by PSBs

1495. SHRI BALAK NATH:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the total amount of loan disbursed to farmers by Public Sector Banks (PSBs) during each of the last three years and the current year, bank-wise;
- (b) the rate of interest on agriculture loan to farmers being charged by various banks across the country during the said period, bank-wise and State-wise including Rajasthan; and
- (c) whether any assessment study has been made by the Government for estimated credit flow to the agriculture sector and if so, the details thereof?

**Answer**

The Finance Minister  
(Smt. Nirmala Sitharaman)

(a): Bank-wise details of agriculture loans disbursed to farmers by Public Sector Banks (PSBs) during the last three years, as reported by National Bank for Agriculture and Rural Development (NABARD) is given in Annexure.

(b): Reserve Bank of India (RBI) has deregulated the interest rate on advances sanctioned by Scheduled Commercial Banks and these interest rates are determined by banks with the approval of their respective Board of Directors subject to the regulatory guidelines on interest rate on advances contained in RBI's Master Direction dated 03.03.2016. Interest rates on loans could vary from time to time and be based on credit profile of the borrowers. The bank-wise and State-wise information on interest rates charged on agriculture loan by various banks across the country are not maintained centrally.

With a view to ensure availability of agriculture credit at a reduced interest rate of 7% p.a. to the farmers, the Government of India in the Department of Agriculture, Cooperation and Farmers' Welfare implements an interest subvention scheme for short term crop loans up to Rs. 3.00 lakh. The scheme provides interest subvention of 2% per annum to Banks on use of their own resources. Besides, additional 3% incentive is given to the farmers for prompt repayment of the loan, thereby reducing the effective rate of interest to 4%.

(c): NABARD has intimated as follows:

- Agriculture Credit Target is allocated considering Gross Cropped Area, Gross Irrigated Area, past achievements and targets, regional distribution of credit flow to address the regional disparity.

- Credit flow to agriculture during the last six years is as under:

(Rs.Crore)

Years	Crop Loan Disb.	Term Loan Disb.	Total Loan Disb.
2013-14	5,48,435	1,81,687	7,30,122
2014-15	6,35,412	2,09,916	8,45,328
2015-16	6,65,313	2,50,197	9,15,510
2016-17	6,89,457	3,76,298	10,65,756
2017-18	7,53,214	4,09,403	11,62,617
2018-19 (p)	7,50,376	5,04,386	12,54,762

(p) provisional

- Agriculture credit grew at a Compound Annual Growth Rate (CAGR) of 11.4% from Rs.7.3 lakh crore in 2013-14 to Rs.12.55 lakh crore 2018-19(p).
- Agriculture accounts grew at a CAGR of 8.9% from 8.06 crore in 2013-14 to 12.33 crore in 2018-19(p).
- The share of investment credit has grown from 25% in 2013-14 to 40% in 2018-19(p) which contributes to capital formation.
- The coverage of small and marginal farmer's accounts has increased from 63% in 2013-14 to 74% in 2018-19(p).
- Small and Marginal farmers share in agriculture credit has improved from 44% in 2013-14 to 50% in 2018-19(p).

S.No.	Bank Name	Total Agriculture Credit Disbu	
		2016-17	2017-18
1	ALLAHABAD BANK	10,238.82	13,005.01
2	ANDHRA BANK	22,292.80	26,646.07
3	BANK OF BARODA	21,795.61	24,439.74
4	BANK OF INDIA	25,337.40	29,534.18
5	BANK OF MAHARASHTRA	7,752.19	5,963.45
6	BHARATIYA MAHILA BANK LTD.*	4.41	0.00
7	CANARA BANK	58,691.32	67,901.50
8	CENTRAL BANK OF INDIA	20,455.94	19,221.81
9	CORPORATION BANK	16,357.27	15,975.91
10	DENA BANK	6,795.07	6,971.35
11	IDBI BANK LIMITED	11,935.80	17,511.41
12	INDIAN BANK	20,789.89	29,763.76
13	INDIAN OVERSEAS BANK	29,518.84	30,968.12
14	ORIENTAL BANK OF COMMERCE	17,151.88	10,007.57
15	PUNJAB AND SIND BANK	10,593.78	12,019.10
16	PUNJAB NATIONAL BANK	61,263.76	74,968.22
17	STATE BANK OF BIKANER AND JAIPUR*	11,593.54	0.00
18	STATE BANK OF HYDERABAD*	23,463.14	0.00
19	STATE BANK OF INDIA	125,270.11	167,195.76
20	STATE BANK OF MYSORE*	7,760.70	0.00
21	STATE BANK OF PATIALA*	13,220.56	0.00
22	STATE BANK OF TRAVANCORE*	6,930.29	0.00
23	SYNDICATE BANK	18,213.16	20,475.06
24	UCO BANK	5,740.11	5,115.70
25	UNION BANK OF INDIA	22,956.30	22,040.80
26	UNITED BANK OF INDIA	7,146.82	7,873.37
27	VIJAYA BANK	10,653.95	14,328.49
	<b>Total</b>	<b>593,923.48</b>	<b>621,926.36</b>

Source: NABARD

\*Merged with SBI from 2017-18

Annexure to Lok Sabha USQ 1495 for 01.07.2019