

Government of India  
Ministry of Finance  
Department of Financial Services  
RAJYA SABHA  
Unstarred Question No. †4055  
To be answered on Tuesday, April 3, 2018/Chaitra 13, 1940 (Saka)

**Institutional loans to farmers**

†4055. SHRI AMAR SHANKAR SABLE

Will the Minister of FINANCE be pleased to state:

- (a) the steps taken by Government to provide institutional loans to the farmers so that they may not need to take loans on higher rates from private lenders and other sources in view of the fact that the loan plays a major role in getting better agriculture produce to the farmers;
- (b) the target set for total amount for agricultural loans during the year 2018-19; and
- (c) the total agriculture loan given during the last three years, State-wise details thereof?

Answer

The Minister of State in the Ministry of Finance  
(Shri Shiv Pratap Shukla )

(a) and (b): Government/Reserve Bank of India (RBI) has taken several measures to increase institutional credit flow and bringing more and more farmers within the fold of institutional credit. These measures inter alia, include the following major steps to provide hassle free crop loan to farmers:

- As per RBI directions, Domestic Scheduled Commercial Banks are required to lend 18% of the Adjusted Net Bank Credit (ANBC) or Credit Equivalent to Off-Balance Sheet Exposure (CEOBE), whichever is higher, towards agriculture. A sub-target of 8% is also prescribed for lending to small and marginal farmers including landless agricultural labourers, tenant farmers, oral lessees and share croppers.
- The Government has introduced the Kisan Credit Card (KCC) Scheme, which enables farmers to meet the short term credit requirements for cultivation of crops; Post-harvest expenses; Produce marketing loan; Consumption requirements of farmer household; Working capital for maintenance of farm assets and activities allied to agriculture; and Investment credit requirement for agriculture and allied activities. The KCC Scheme has since been simplified and provides for issue of ATM enabled RuPay debit card with, inter alia, facilities of one-time documentation, built-in cost escalation in the limit, any number of drawals within the limit, etc.
- With a view to ensuring 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%.
- RBI has conveyed to Banks to waive margin/security requirements of agricultural loans upto Rs.1,00,000/-. The requirement of 'no due' certificate has also been dispensed with for small loans up to Rs.50,000 to small and marginal farmers, share-croppers and the like and, instead, only a self-declaration from the borrower is required.
- To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks.
- Government fixes agriculture credit disbursement targets for the banking sector every year and banks have consistently surpassed these targets. The Government has fixed the agriculture credit target of Rs 11 lakh crore for the year 2018-19 against the target of Rs 10 lakh crore for the year 2017-18.

(c): The State-wise details of agricultural loans disbursed by Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs) and Cooperative Banks during the last three years, as reported by National Bank for Agriculture and Rural Development (NABARD), are at Annexure.

## Annexure

Agriculture Credit Disbursement During 2014-15, 2015-16 and 2016-17				
(Amt. in Rs. lakh)				
S.No.	State/UT	2014-15	2015-16	2016-17
		Disb. Amt.	Disb. Amt.	Disb. Amt.
1	DELHI	15,26,401	5,54,974	19,94,165
2	HARYANA	40,43,848	49,79,049	49,48,107
3	HIMACHAL PRADESH	4,96,412	5,12,194	6,11,615
4	JAMMU & KASHMIR	76,600	2,76,146	7,29,674
5	PUNJAB	72,96,298	84,65,289	74,30,147
6	RAJASTHAN	65,74,336	67,62,726	74,30,386
7	CHANDIGARH UT	2,33,992	1,41,536	1,40,595
	<b>Northern Region Total</b>	<b>202,47,887</b>	<b>216,91,914</b>	<b>232,84,688</b>
8	ARUNACHAL PRADESH	4,991	4,282	13,259
9	ASSAM	2,75,103	3,90,548	6,10,207
10	MANIPUR	15,255	15,867	25,112
11	MEGHALAYA	19,594	15,627	36,831
12	MIZORAM	7,020	9,913	11,436
13	NAGALAND	13,491	11,817	12,939
14	SIKKIM	7,548	7,161	16,170
15	TRIPURA	1,02,271	1,28,055	1,51,313
	<b>North Eastern Region Total</b>	<b>4,45,273</b>	<b>5,83,270</b>	<b>8,77,266</b>
16	A & N ISLAND	6,647	11,184	13,498
17	BIHAR	22,86,388	40,54,231	26,18,458
18	JHARKHAND	2,51,836	3,66,184	4,37,999
19	ODISHA	17,27,058	20,28,270	21,26,496
20	WEST BENGAL	37,29,373	39,07,458	34,89,572
	<b>Eastern Region Total</b>	<b>80,01,302</b>	<b>103,67,328</b>	<b>86,86,025</b>
21	CHHATTISGARH	7,87,201	7,67,426	12,23,742
22	MADHYA PRADESH	47,04,858	52,10,400	56,14,906
23	UTTARAKHAND	5,58,647	5,86,938	6,50,543
24	UTTAR PRADESH	72,61,136	87,64,167	81,58,401
	<b>Central Region Total</b>	<b>133,11,842</b>	<b>153,28,931</b>	<b>156,47,593</b>
25	GOA	77,731	56,711	1,01,128
26	GUJARAT	39,32,672	44,56,320	54,27,670
27	MAHARASHTRA	66,82,129	62,77,680	81,38,384
28	D & N HAVELI UT	2,984	2,027	8,017
29	DAMAN & DIU UT	2,605	645	3,458
	<b>Western Region Total</b>	<b>106,98,121</b>	<b>107,93,383</b>	<b>136,78,656</b>
30	ANDHRA PRADESH	53,93,621	74,13,594	92,86,862
31	TELANGANA	30,51,666	33,32,568	67,88,535
32	KARNATAKA	60,23,300	84,83,248	78,08,272
33	KERALA	57,20,901	43,39,237	67,73,876
34	PUDUCHERRY	15,93,012	1,08,156	5,29,008
35	TAMILNADU	100,22,577	91,09,362	132,14,457
36	LAKSHADWEEP UT	23,321	-	327
	<b>Southern Region Total</b>	<b>318,28,398</b>	<b>327,86,166</b>	<b>444,01,339</b>
	<b>GRAND TOTAL</b>	<b>845,32,823</b>	<b>915,50,992</b>	<b>1065,75,567</b>
Source:	NABARD			