

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5162
ANSWERED ON:25.04.2003
LOANS TO AGRO BASED INDUSTRIES
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Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether agro industries are likely to play a special role for bringing reforms in the economic set up of the country;
- (b) if so, the details thereof;
- (c) whether agro based industries were provided less loan during the last three years from the public sector banks;and
- (d) if so, the details thereof along with the reasons for the constant decline in the percentage of loan for this sector: and
- (e) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL):

- (a) and (b) Yes, Sir. Agro-based industries are likely to play a vital role for bringing reforms in the economic set up of the country. Major impact of the agro-based industries will be that about 24.3% of the gross domestic product comes from agriculture, earning foreign exchange through value addition and better price realization to the farmers. In addition these industries provide employment generation with locally available resources and manpower and reduces migration of rural people to urban area.
- (c) As reported by Reserve Bank of India (RBI), the public sector banks` totabutstanding credit to agro-basedindustries during the last three years were as under:

STATEMENT

Year	Amount(Rs.Crores)
March 2001	28186
March 2002	28923
February 2003	29331

- (d) It may be seen from the above data that the public sector banks` loans to the agro-based industry sector has been increasing year by year.
- (e) Does not arise in view of (d) above.