

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1511
ANSWERED ON:03.03.2000
BANK LOAN TO AGRICULTURAL SECTOR
RAGHUNANDAN LAL BHATIA

Will the Minister of FINANCE be pleased to state:

(a) the percentage of loan provided by the nationalized banks which have gone to the agricultural sector in Punjab during the last three years; and

(b) the steps taken by the Union Government to provide maximum help to agriculturists in Punjab?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) Details of the loans disbursed for agriculture sector by the Public Sector Banks, including the nationalized banks, during the last three years in Punjab State under Special Agricultural Credit Plans (SACP), as reported by Reserve Bank of India (RBI) are given below:

(Rs. in Crores)

Year	Target	Achievement	Percentage
1996-97	1039.51	971.49	93.46
1997-98	1200.56	1270.56	105.83
1998-99	1561.65	1774.47	113.63

It may be observed that the public sector banks have disbursed more than the target set by them in Punjab during the last two years.

(b) RBI has taken several measures to further strengthen the flow of credit to farmers in the country. Some of these are:

(1) Introduction of cash credit facility for meeting composite credit requirements of farmers having a good track record;

(2) Introduction of the Kisan Credit Card Scheme for agricultural borrowers;

(3) Banks have been advised to open specialized agricultural branches to take care of financing of high-tech agricultural projects;

(4) RBI has introduced simplification of loan applications, delegation of powers to branch managers, introduction of composite cash credit limit to farmers, introduction of new loan products, cash disbursement of loans, discretion to banks on matters relating to margin/security requirements for loans above Rs. 10,000/- and dispensing with 'No Dues Certificates' as a compulsory requirement.