

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 2648
ANSWERED ON 14TH DECEMBER, 2021

LOANS FOR SETTING UP OF FPIs

2648. SHRI RITESH PANDEY:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the details of the targets fixed and the achievements made by the Public Sector Banks (PSBs) for extending loans to entrepreneurs for setting up food processing units/industries (FPIs) during the last three years and the current year, bank-wise;
- (b) whether the Government has received any complaints of banks denying loans to such entrepreneurs during the above period; and
- (c) if so, the details thereof along with the remedial steps taken/being taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI PRAHLAD SINGH PATEL)

(a): Food and agro-processing activities including cold chain are included in the Priority Sector Lending (PSL) norms of the Reserve Bank of India (RBI). As reported by the RBI, there is no separate target for lending by banks to food and agro-processing units under the Priority Sector Lending guidelines. Loans to food and agro-processing units up to Rs 100 crore per borrower from the banking system, can be classified as lending to agriculture under PSL. Also, loans to MSMEs engaged in “food and agro processing” are eligible for classification under PSL. Data on credit outstanding to food and agro-processing sector under PSL norms during the last three years and current year is as under:

(Rs crore)

	<i>31-Mar-19</i>	<i>31-Mar-20</i>	<i>31-Mar-21</i>	<i>30-Sep-21</i>
State Bank of India	22236.85	20713.30	23730.34	16748.04
Public Sector Banks, Others	65286.88	61445.34	119402.51	62225.28
Private Banks	41901.48	43053.34	54950.79	44789.99
Total	129425.21	125211.98	198083.64	123763.30

(b) & (c): The Ministry has not received any complaint related to denying of loans to the entrepreneurs engaged in food processing sector. As and when, any issue related to the banks is raised by the applicants availing benefits under various schemes of Ministry, the same is resolved through active interaction with the bank.
