

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA

Unstarred Question No. 121
Answered on Monday, July 22, 2024/31 Ashadha, 1946 (Saka)

DATA ON CREDIT FLOW FROM BANKS TO AGRICULTURE SECTOR

121 Dr. K Sudhakar:

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has any data on the credit flow from scheduled commercial banks both public and private banks to the agriculture sector in the country and if so, the details regarding the same during the period of 2004-2014 and 2014-2024;
- b) whether the Government has any data regarding the meeting of priority lending credit by scheduled commercial banks of Karnataka and if so, the details thereof, bank-wise;
- c) whether the Government has noticed that even today certain banks indeed rely upon CIBIL scores to determine the creditworthiness of a farmer and if so, the details thereof;
- d) whether any instructions have been issued by the Government to do away with CIBIL score for agriculture credit loans and if so, the details thereof; and
- e) the total amount of agricultural credit loans issued by scheduled commercial banks of Chikkaballapur Lok Sabha Constituency in the State of Karnataka with details of individual banks?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) The details of the credit flow are provided at annexure-I.

(b) As per information provided by RBI, the data on priority sector lending by scheduled commercial banks in the state of Karnataka for the period 2009 to 2023 is given at annexure-II.

(c) to (e): Banks make credit-related decisions based on their Board-approved policies, broad regulatory guidelines, and statutory provisions. The RBI has not issued any specific instructions requiring a credit score from Credit Information Companies for granting agricultural loans to farmers. However, RBI vide their circular dated 27 June 2014, has advised banks and financial institutions to include in their credit appraisal processes/loan policies, suitable provisions for obtaining Credit Information Reports (CIR) from one or more Credit Information Companies (CICs) so that the credit decisions are based on information available in the system. Further, RBI, vide its circular dated 01.04.2024, advised banks to use an alternative framework of due diligence as part of the credit appraisal exercise other than the 'No Due Certificate'. The credit history check through CIC is one such alternate framework suggested. The constituency-wise information is not centrally maintained.

Statement referred to in part (a) of Lok Sabha Un-Starred Question No.121 on Data on Credit Flow from Banks to Agriculture Sector due for answer on 22.07.2024

The details of agriculture credit disbursement by scheduled commercial banks both public and private banks to the agriculture sector in the country for the period of 2004-2024

(Amount in Rs. crore)

S.no.	Financial Year	Crop Loan	Term Loan	Total Loan
1	2003-04	26,192	26,249	52,441
2	2004-05	38,791	42,690	81,481
3	2005-06	57,640	67,836	1,25,476
4	2006-07	92,846	73,639	1,66,485
5	2007-08	1,16,966	64,121	1,81,087
6	2008-09	1,47,818	81,133	2,28,951
7	2009-10	1,89,908	95,892	2,85,800
8	2010-11	2,28,391	1,17,486	3,45,877
9	2011-12	2,66,928	1,01,688	3,68,616
10	2012-13	3,14,950	1,17,540	4,32,490
11	2013-14	3,64,164	1,63,342	5,27,506
12	2014-15	4,15,736	1,88,640	6,04,376
13	2015-16	4,19,931	2,23,024	6,42,954
14	2016-17	4,52,576	3,47,205	7,99,781
15	2017-18	4,97,322	3,47,205	8,44,527
16	2018-19	4,83,805	4,71,017	9,54,823
17	2019-20	5,38,795	5,31,241	10,70,036
18	2020-21	5,58,121	6,36,583	11,94,704
19	2021-22	7,03,804	7,12,160	14,15,964
20	2022-23	8,99,057	7,77,471	16,76,529
21	2023-24*	10,32,426	9,53,599	19,86,025

*Data for FY2023-24 is provisional

Statement referred to in part (b) of Lok Sabha Un-Starred Question No.121 on Data on Credit Flow from Banks to Agriculture Sector due for answer on 22.07.2024

Total Priority Sector Lending by Scheduled Commercial Banks in Karnataka

(Amount in Rs. Crore)

Year	Number of Accounts	Balance outstanding
2009	33,79,874	71,863.43
2010	40,47,384	82,475.35
2011	38,97,943	91,856.43
2012	44,99,933	99,392.53
2013	47,64,525	1,16,989.75
2014	54,17,823	1,57,523.24
2015	60,05,404	1,83,839.69
2016	64,02,717	2,11,283.36
2017	65,43,307	2,02,894.49
2018	76,71,942	2,06,294.99
2019	96,14,160	2,09,922.33
2020	1,05,10,024	2,13,007.82
2021	1,08,98,541	2,14,824.07
2022	1,10,34,354	2,55,504.64
2023	1,22,17,227	2,68,541.23