

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 2244

ANSWERED ON MONDAY, 09/12/2024 / AGRAHAYANA 18, 1946 (SAKA)

STATUS OF NPAs IN AGRICULTURAL LOANS UNDER MUDRA SCHEME

2244. SHRI P V MIDHUN REDDY; and

DR. GUMMA THANUJA RANI:

Will the Minister of FINANCE be pleased to state:

- (a) the current status and details of the Non-Performing Assets (NPAs) specifically related to agricultural loans under the Mudra scheme;
- (b) whether the Government has any data or observed the trends of such NPAs in States such as Andhra Pradesh and if so, the details thereof; and
- (c) the measures taken/being taken to reduce the incidence of NPAs of agricultural loans under the Mudra scheme?

ANSWER

Minister of State in the Ministry of Finance

(SHRI PANKAJ CHAUDHARY)

(a) to (c): Pradhan Mantri Mudra Yojana (PMMY) was launched on 08.04.2015 and under the Scheme collateral free institutional credit upto Rs.20 lakh is provided by Member Lending Institutions (MLIs) i.e. Scheduled Commercial Banks (SCBs), Regional Rural Banks (RRBs), Non-Banking Financial Companies (NBFCs) and Micro Finance Institutions (MFIs).

The objective of the Scheme is to provide access to institutional finance to unfunded non-corporate, non-farm micro/small business units for income generating activities in the manufacturing, trading, service sectors and also for activities allied to agriculture.

Under PMMY, activities allied to agriculture are covered and as per State Level Bankers' Committee (SLBC), Andhra Pradesh, the NPAs under this category are 16.09%, 11.52% & 4.68% for FY 2021-22, 2022-23 & 2023-24 respectively. In order to reduce NPAs, Banks

adopt measures such as contacting the borrowers through SMS, Email & letters, and also resorting to measures like settlement through Lok Adalat, settlement through compromise, taking up matter in DRT etc.
