

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4927**  
TO BE ANSWERED ON 01<sup>ST</sup> APRIL, 2025

**PROTECTION OF FARMERS FROM PRIVATE LOAN LENDERS**

4927. SHRI BHAUSAHEB RAJARAM WAKCHAURE:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

(a) whether only 40 percent of the farmers of the country are taking advantage of the loan facility and the rest of the farmers are trapped in the clutches of private lenders;

(b) if so, the reaction of the Government thereto;

(c) whether the Government has taken or proposed to take any action against private lender charging high interest from farmers; and

(d) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE  
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): As per the NABARD All India Rural Financial Inclusion Survey (NAFIS) 2021-22, the share of agricultural household taking loans only from institutional sources rose from 60.5% in 2016-17 to 75.5% in 2021-22, while those borrowing only from non-institutional sources declined from 30.3% to 23.4% in the same period. This reflects a significant shift towards formal credit, countering the perception that most farmers remain dependent on private moneylenders.

(c) & (d): Several schemes/ programmes of the Government of India are designed to provide agriculture credit to farmers at low interest rate such as Kisan Credit Card(KCC) Scheme, Modified Interest Subvention Scheme (MISS), Agriculture Infrastructure Fund (AIF), Promotion of FPOs etc to prevent them going to private lenders.

As per priority Sector Lending (PSL) regulation, RBI has mandated that the Scheduled Commercial Banks will provide 18% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance Sheet Exposure (CEOBE), whichever is higher to the agriculture sector; out of which a sub limit has been fixed for small and marginal farmers which at present is 10%. This provision ensures availability of easy and affordable agriculture credit to the farmers.

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