

# Co-operative banks achieved 95% of target in agri loans disbursals in FY22

Agri loans worth ₹2,17,849 cr were disbursed in FY22, data presented in Rajya Sabha shows

## DATA FOCUS

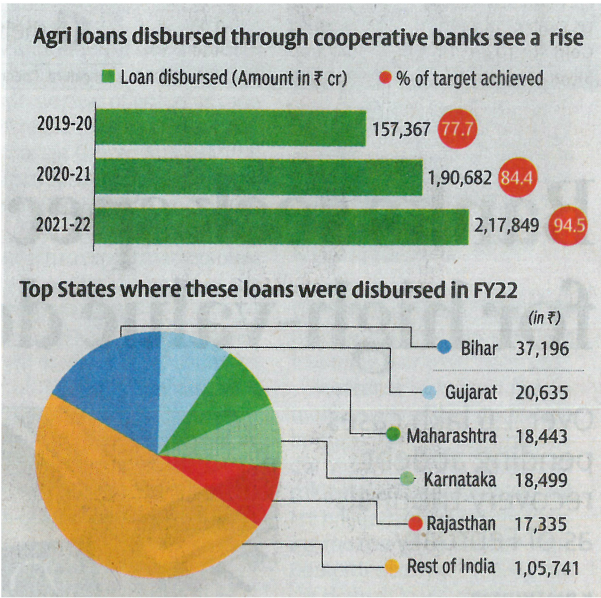
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Co-operative banks achieved close to 95 per cent of the target in terms of disbursing agriculture sector loans in 2021-22. This is according to the data presented in the Rajya Sabha by the Ministry of Finance. In the previous two financial years, only 84 per cent of the target was achieved.

FY22 also saw a 14 per cent increase in the amount of these loans. Agri loans worth ₹2,17,849 crore were disbursed through co-operative banks between April 2021 and March 2022. Minister of State Bhagwat Karad was answering a question posed by members of parliament KC Venugopal and Sanjeev Arora.

In FY22, 12.8 per cent of the total agricultural loans were disbursed through co-operative banks. This is a mere 0.7 per cent rise compared to FY21. Elaborating on the issues of cooperative banks, Karad said in a written response, "The major constraints being faced by co-operative banks in meeting the credit needs of their customers, inter-alia, include limited avenues for rais-



Source: Rajya Sabha

ing capital, governance and management issues, low level of technological adoption and limited outreach."

### Top states

Seventeen per cent of these loans, amounting to ₹37,196 crore was disbursed in Bihar. Interestingly, the agri loan amount disbursed by co-operative banks in Bihar were almost eight times the targeted amount.

This is also a 509 per cent increase from the amount of agriculture loans disbursed in FY21 in the State.

The other States that saw the most disbursals are Gujarat, Maharashtra, Karnataka and Rajasthan. These five States together account for

more than 50 per cent of the agri loans disbursed in the last financial year. States apart from Bihar where loans exceeding the target were disbursed include Tamil Nadu, Karnataka, Jharkhand and Manipur.

Karad, in his reply, also listed out the schemes that may have caused the increase in the loans through cooperative banks.

Two of these were the Short Term Cooperative Rural Credit (Refinance) Fund and a Long-Term Rural Credit Fund in the National Bank for Agriculture and Rural Development (NABARD) for which a total of over ₹30,000 crore was allocated in the last financial year.