

INSTITUTIONAL FINANCE & CREDIT CONTROL DEPARTMENT,
HARYANA

(Note on Activities and Achievements)

1. INTRODUCTORY

Haryana Govt. is paying lot of importance to institutional finance as the institutional finance available through Commercial Banks, Cooperative Banks and other term lending institutions as it reduces pressure on the budgetary resources of the State Govt. In Haryana, the role of the Government has been to persuade the banking institutions to give greater importance to the Agricultural & Allied Sectors, particularly to the poverty alleviation programmes.

2. OVERALL EXPANSION OF BANKING ACTIVITIES IN HARYANA

At the time of nationalisation of banks in the year 1969, there were only 174 bank branches in Haryana with total deposits of Rs. 64.10 crores and total advances of Rs. 30.27 crores, with credit-deposit ratio of 47%. At the end of September 2008, the number of bank branches has increased to 2033 with total deposits of Rs. 75034 crores and total advances of Rs. 51869 crores giving a total credit-deposit ratio of 69% per cent.

3. REVIEW OF ANNUAL CREDIT PLAN 2007-08

The Annual Credit Plan for the year 2007-08 aimed at providing credit to the tune of Rs.21061.10 crores in Haryana State out of which Rs. 15017.43 crores (71.3%) was for Agriculture and Allied Sector, Rs. 2770.43 crores (13.1%) for S.S.I. Sector and Rs. 3273.25 crores (15.6%) for Tertiary Sector.

During the financial year 2007-08, the total amount advanced has been to the tune of Rs. 23814.78 crores (113% of the target) by the end of March, 2008 under the Annual Credit Plan 2007-08. Out of this total lending of Rs. 23814.78 crores, Rs.15274.54 crores have gone to Agriculture & Allied Sector, Rs. 4057.20 crores to SSI Sector and Rs. 4483.03 crores to Tertiary Sector. It is observed that the targets during the year 2007-08 have not only been achieved but surpassed.

4. ANNUAL CREDIT PLAN 2008-09

Annual Credit Plan for the current year 2008-09 envisages a credit lending of Rs. 24914.88 crore in Haryana State out of which Rs. 17506.42 crore (70.3 %) are meant for Agriculture and Allied activities, Rs. 3463.24 crore (13.9%) for SSI Sector and Rs. 3945.22 crore (15.8%) for Tertiary Sector. It is worth mentioning that targets for 2008-09 are higher by 18% as compared to those for the year 2007-08.

During the financial year a total amount of Rs.9117.24 crore has been advanced by the end of September, 2008 which is 37% of the annual targets under the Annual Credit Plan 2008-09. Out of this total lending, Rs.5646.10 crore have gone to Agriculture Sector, Rs 1381.80 crore to SSI and Rs. 2089.34 crore to Tertiary Sector.

In view of the trends observed in the achievement during previous years, the targets for the year 2008-09 are also likely to be surpassed.

5. AGRICULTURE DEBT WAIVER & DEBT RELIEF SCHEME-2008.

Government of India had announced ADWDR Scheme 2008 for waiving of loans given to small and marginal farmers. Under this scheme, an amount of Rs. 2129.28 crore has been waived off and 712540 farmers were benefited in Haryana. Detail is given at Annexure-I.

ACHIEVEMENTS DURING THE YEAR 2008-2009
(April, 2008 to September, 2008)

Parameter		Annual Target (Rs. in crores)	<u>Achievement upto Sept.,08</u> Rs. in Crores % age	
1. Annual Credit Plan				
i)	Agr. & allied	17506.42	5646.10	32
ii)	SSI	3463.24	1381.80	40
iii)	Tertiary	3945.22	2089.34	53
	Total	24914.88	9117.24	37
		<u>National Goal</u> (% age)	<u>Achievement</u> (% age)	
2.	Credit-Deposit Ratio	60	69	
3.	Priority Sector to total credit	40	53	
4.	Adv. to Agriculture to total advances	18	27	
5.	Adv. to Weaker Sector to total advances	10	10	
6.	DRI Advances	1	0.003	