

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 3645

ANSWERED ON MONDAY, AUGUST 10, 2026/SHRAVANA 19, 1948 (SAKA)

Growth Rate of Bank Credit to Agriculture in Rural Areas

3645. MS. MAHUA MOITRA:

Will the Minister of FINANCE be pleased to state:

- (a) the growth rate of bank credit disbursed to the agriculture and allied sector in rural areas for each of the last five financial years;
- (b) the growth rate of retail sales of two-wheelers and tractors in rural markets during the last five years;
- (c) whether either of these indicators shows acceleration in 2025-26 corresponding to the claimed rural wage growth of 17-18 per cent, if so, the details thereof;
- (d) the details of most recent assessment by Reserve Bank of India, if any, on rural demand conditions; and
- (e) whether the Government is likely to revisit its claim of a rural wage boom, if rural demand indicators remain flat through the remainder of 2026 and if so, the details thereof ?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) The credit disbursed to Agriculture and Allied Sector in the last five years is given below:

(Amount in Rs. Lakh Crore)

FY	Agriculture & Allied Sector Credit disbursed
2021-22	18.6
2022-23	21.6
2023-24	25.5
2024-25	28.6
2025-26	30.0

Source: NABARD

Over the last five years, total lending to Agriculture and Allied Sector have recorded a Compound Annual Growth Rate (CAGR) of 12.7%.

(b) As per the Reserve Bank of India's Bulletin, number of tractor sales in rural economy stood at 10.6 lakh in 2025-26, as against 7.7 lakh in 2021-22, reflecting CAGR of 8.3 %, and the number of two-wheeler sales in rural economy was 197.3 lakh in 2025-26, compared with 123.7 lakh in 2021-22, depicting a CAGR of 12.4 %.

(c) In 2025-26, the number of tractor sales in rural economy increased by 23% as compared to 2024-25, and the number of two-wheeler sales in the rural economy rose by 10% during 2025-26 as compared with 2024-25.

(d) and (e) As per RBI's latest Bulletin of July 2026, Domestic demand was supported by a sharp pick-up in rural demand in June 2026. Tractor sales as well as two-wheeler sales recorded robust growth, with the commencement of kharif sowing activities.
