

[Translation]

**Loan to Farmers in Gujarat by Banks**

615. SHRI MAHESH KANODIA:  
SHRI JAISINHJI CHAUHAN:

Will the Minister of FINANCE be pleased to state:

(a) the State-wise total amount of loan provided to small and marginal farmers in the country, particularly in Gujarat, by cooperative banks, commercial banks and Regional Rural Banks during each of the last three years and current year, till date;

(b) whether the banks have achieved their target for providing loans to farmers;

(c) if not, the reasons therefor;

(d) whether any irregularities have been detected in sanctioning the loan;

(e) if so, the remedial measures taken in this regard;

(f) the amount of loan recovered during the above period, State-wise; and

(g) the steps being taken to streamline the procedure of granting bank loans to farmers of the State?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The data reporting system of Reserve Bank of India does not generate information in the manner asked for. However, information regarding loans to small farmers/marginal farmers having and holding upto 5 acres by public sector banks is given below:

(Amount in Rs. crore)

As on the last Friday	All India	Gujarat
June 1994	2487.31	78.82
June 1995	3166.25	179.10
June 1996 (Latest available)	3953.40	250.15

The details of the crop loans issued to small and marginal farmers by District Central Co-operative Banks (DCCBs) in the country (State-wise) as reported by the National Bank for Agriculture and Rural Development (NABARD) are given in the attached statement-I. Details of the agricultural loans issued by Regional Rural Banks (RRBs) upto 1996-97 to target groups which mainly comprises of loans to small and marginal farmers and weaker sections are given in the attached statement-II.

(b) and (c) All scheduled commercial banks in the country are required to lend 18 per cent of their net bank credit (NBC) for agriculture under priority sector. The position regarding agricultural lending by public sector banks as on ending March 1996, 1997 and 1998 and September 1998 is as under:

	Amount Outstanding (Rs. Crores)	Percentage to NBC
March 1996	26351	14.29
March 1997	31012	16.35
March 1998	34304	15.72
September 1998	35697	16.06

It may be noted from above that though loan outstanding have increased from Rs. 26351 crores in March 1996 to Rs. 35697 crores in September 1998, the Public Sector Banks have not been able to achieve the target of 18 per cent of NBC. This is mainly on account of substantial increase in NBC due to doubling of lendable resources of banks on account of reduction in reserve requirements.

(d) and (e) Occasional irregularities in sanctioning of loans by banks are brought to notice of RBI and NABARD. There is a well laid down procedure for dealing with such cases and defects observed in the sanction of loans are pointed out for rectification by banks and compliance obtained and reviewed periodically.

(f) The comparative State-wise recovery position of Agricultural Advances (Direct Finance) of all scheduled commercial banks (as percentage of recovery to Demand) as on the last Friday of June 1995, 1996 and 1997, as furnished by the RBI is given in the attached statement-III.

(g) Reserve Bank of India appointed a High Level Committee on Agriculture Credit to study the working of the credit delivery system and to make suggestions for simplification and improvement in systems and procedures including reduction in paper work for delivery of farm credit. The committee suggested several procedural modifications in regard to agricultural advances which include *inter-alia*, simplification of procedures regarding application, agreements, etc.; delegation of more powers to branch managers; introduction of composite cash credit limit to agricultural farmers; introduction of new loan products with savings components; cash disbursements of loans, dispensing with 'No Due Certificate'; discretion

to banks on matters relating to margin/security requirements for agricultural loans above Rs. 10,000/- etc. Banks have been advised to implement the recommendations. The banks were also asked to introduce Kisan Credit Cards to facilitate flow of credit to Agricultural Sector. These measures are expected to facilitate easy access of credit by farmers from banks, quicken the pace of flow of credit to agricultural sector; enhance the quantum of flow of credit to farmers besides enabling them to get timely and adequate credit from banks to meeting production needs as also household post harvest expenditure.

**Statement-I**

*Statement Showing State-wise Position of Crop Loans Disbursed by the Central Co-operative Banks to Small and Marginal Farmers during the Years 1995-96, 1996-97 and 1997-98 (April-March)*

(Rs. in crores)

S.No.	State/Union Territory	1995-96	1996-97	1997-98
1	2	3	4	5
1.	Andaman & Nicobar Islands	NA	0.01	0.15
2.	Andhra Pradesh	656.74	930.62	861.46
3.	Arunachal Pradesh	NA	NA	NA
4.	Assam	0.00	0.03	0.1
5.	Bihar	45.44	56.49	41.49
6.	Chandigarh	NA	NA	NA
7.	Dadra & Nagar Haveli	NA	NA	NA
8.	Daman & Diu	NA	NA	NA

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1	2	3	4	5
9.	Goa	NA	NA	NA
10.	Gujarat	234.36	248.32	295.29
11.	Haryana	487.60	586.41	694.8
12.	Himachal Pradesh	1.67	NA	1.89
13.	Jammu & Kashmir	3.26	3.43	NA
14.	Karnataka	158.83	218.27	368.93
15.	Kerala	250.69	210.55	262.71
16.	Lakshadweep	NA	NA	NA
17.	Madhya Pradesh	282.67	326.34	351.43
18.	Maharashtra	464.12	468.19	591.88
19.	Manipur	NA	NA	NA
20.	Meghalaya	0.78	0.57	0.18
21.	Mizoram	0.01	NA	NA
22.	Nagaland	0.81	NA	1.34
23.	N.C.T. of Delhi	NA	NA	NA
24.	Orissa	113.87	128.92	147.24

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1	2	3	4	5
25.	Pondicherry	0.00	NA	NA
26.	Punjab	571.56	729.89	905.55
27.	Rajasthan	104.55	134.49	168.97
28.	Sikkim	NA	NA	NA
29.	Tamil Nadu	352.75	349.77	395.36
30.	Tripura	1.57	NA	2.70
31.	Uttar Pradesh	506.58	863.51	496.87
32.	West Bengal	102.11	NA	NA
Total:		4340.07	4830.86	5585.34

**Statement-II**

(Rs. in Lakhs)

S.No.	State/Union Territory	1995-96	1996-97	1997-98
1	2	3	4	5
1.	Andaman & Nicobar Islands	—	—	—
2.	Andhra Pradesh	26080.00	34900.00	42276
3.	Arunachal Pradesh	61.00	91.00	141
4.	Assam	642.00	376.00	361

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1	2	3	4	5
5.	Bihar	2935.00	5550.00	5270
6.	Chandigarh	—	—	—
7.	Dadra & Nagar Haveli	—	—	—
8.	Daman & Diu	—	—	—
9.	Goa	—	—	—
10.	Gujarat	6171.00	7637.00	9286
11.	Haryana	4942.00	7085.00	11226
12.	Himachal Pradesh	270.00	475.00	711
13.	Jammu & Kashmir	297.00	608.00	614
14.	Karnataka	27233.00	29437.00	34954
15.	Kerala	12690.00	16290.00	19659
16.	Lakshadweep	—	—	—
17.	Madhya Pradesh	7785.00	8444.00	11506
18.	Maharashtra	3814.00	5067.00	5374
19.	Manipur	15.00	10.00	14
20.	Meghalaya	104.00	116.00	48

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1	2	3	4	5
21.	Mizoram	90.00	70.00	39
22.	Nagaland	1.00	—	—
23.	N.C.T. of Delhi	—	—	—
24.	Orissa	4727.00	866.00	6711
25.	Pondicherry	—	—	—
26.	Punjab	3908.00	5317.00	6785
27.	Rajasthan	6179.00	8530.00	12208
28.	Sikkim	—	—	—
29.	Tamil Nadu	4602.00	6566.00	9583
30.	Tripura	92.00	112.00	141
31.	Uttar Pradesh	22669.00	27465.00	24392
32.	West Bengal	2802.00	3381.00	2539
<b>Total:</b>		<b>138109.00</b>	<b>168393.00</b>	<b>203838</b>

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**Statement-III**

S.No.	State/Union Territory	June 1995	June 1996	June 1997
1	2	3	4	5
1.	Andaman & Nicobar Islands	48.37	43.80	56.59
2.	Andhra Pradesh	60.42	63.24	62.46
3.	Arunachal Pradesh	44.63	40.82	59.60
4.	Assam	21.15	20.69	22.57
5.	Bihar	37.77	40.87	39.67
6.	Chandigarh	52.50	72.32	63.19
7.	Dadra & Nagar Haveli	39.51	28.74	47.71
8.	Daman & Diu	12.56	18.48	12.70
9.	Goa	52.93	53.97	58.20
10.	Gujarat	64.69	67.74	65.98
11.	Haryana	62.60	63.61	66.36
12.	Himachal Pradesh	42.74	53.61	63.02
13.	Jammu & Kashmir	10.53	22.47	21.56
14.	Karnataka	53.54	57.54	64.28

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1	2	3	4	5
15.	Kerala	76.12	78.52	80.66
16.	Lakshadweep	79.44	90.59	75.30
17.	Madhya Pradesh	52.25	52.59	54.83
18.	Maharashtra	52.61	55.06	57.88
19.	Manipur	13.28	13.65	11.09
20.	Meghalaya	22.48	30.75	20.26
21.	Mizoram	15.87	17.69	13.39
22.	Nagaland	21.05	26.20	32.16
23.	N.C.T. of Delhi	44.16	72.21	35.21
24.	Orissa	46.04	52.95	45.23
25.	Pondicherry	68.71	75.13	56.58
26.	Punjab	71.26	71.82	75.75
27.	Rajasthan	49.59	52.01	52.28
28.	Sikkim	42.92	46.26	52.53

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1	2	3	4	5
29.	Tamil Nadu	72.83	74.64	74.40
30.	Tripura	15.13	14.77	14.71
31.	Uttar Pradesh	63.34	62.56	63.44
32.	West Bengal	51.68	54.42	59.08
	All India	59.45	61.99	63.31

[English]

#### **Rebate on Khadi**

616. SHRI T. GOVINDAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Union Government have received requests from various States for allowing more rebate on Khadi items as the Khadi and Village Industries are facing serious crisis; and

(b) if so, the details and the reaction of the Union Government thereto?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) No, Sir. No such request has been received from any of the State. However, on the basis of requests from various Khadi Institutions, KVIC had requested Govt. to extend the period of special rebate from 90 to 120 days. Accordingly, Govt. has extended the period of special rebate allowing rebate @ on Khadi & Khadi related items from 90 days to 120 days.

[Translation]

#### **District Industry Centre for Promoting SSIs**

617. DR. LAXMINARAYAN PANDEY: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to reconstitute the 'District Industry Centre' and make them viable during the Ninth Five Year Plan in order to promote Small Scale Industries; and

(b) if so, the details of the scheme?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) The DIC Scheme was transferred to States/UTs in 1993-94 on the recommendations of the NDC. Hence there is no Central Scheme to reconstitute the DICs.

[English]

#### **Expansion of Mahanadi Coalfields Limited**

618. SHRI GIRIDHAR GAMANG: Will the Minister of COAL be pleased to state:

(a) the expansion plan prepared by Mahanadi Coalfields Limited, Orissa to meet the requirements of existing and future thermal plants;

(b) the names of existing Thermal Power Plants of public and private sector located in Orissa and new Thermal Power Plants proposed and the requirement of coal of those plants submitted to MCL; and

(c) the consideration of MCL, public sector projects and the State Government to sort out the problems of