

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:230

ANSWERED ON:25.07.2005

AGRICULTURIST FAMILIES

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Will the Minister of AGRICULTURE be pleased to state:

- (a) the total estimated number of agriculturist families in the country at present;
- (b) the estimated number of agriculturist families holding less than one hectare of land;
- (c) the percentage of the agriculturist families reported debt-ridden;
- (d) the reasons behind their being debtors in such a large number; and
- (e) the steps being taken to remedy the situation?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) to (d): As per the National Sample Survey Report No. 498 : Indebtedness of Farmers (January – December, 2003), the total number of farmer households in the country was 89.35 million of whom 58.91 million farmer households were holding one or less than one hectare of land. The said Report further reveals that the estimated percentage of indebted farmer households was 48.6% and the loans had been taken for various purposes including investment in farm and non-farm business and meeting expenditure connected with marriages and ceremonies, education, medical treatment, etc.

(e): The availability of institutional credit for agricultural purposes in a hassle free manner at reasonable rates of interest and reducing the dependence on money lenders for meeting the credit needs is one of the key factors to promote investment in agriculture, accelerate its growth and increase the income of farmers. With this objective in view, the Government announced a comprehensive credit policy on 18th June, 2004 which provided, interalia, for doubling of flow of credit in three years, increasing the coverage of institutional credit, debt restructuring in case of

(a) farmers in distress; (b) farmers in arrears; (c) one time settlement for small and marginal farmers; and (d) farmers indebted to non-institutional lenders. In line with this announcement, the target for agricultural credit was increased from Rs.86,000 crores in 2003-04 to Rs.1,05,000 crores in 2004-05. The actual disbursement increased from Rs.86,981 crores during 2003-04 to Rs.1,15,242 crores during 2004-05 representing an increase of almost 32.5%. Against the target of 50 lakh new farmers to be brought within the fold of institutional credit, over 78 lakh new farmers were actually provided credit from institutional sources during 2004-05.