

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:720

ANSWERED ON:04.03.2005

LOAN TO FARMERS

Dangawas Shri Bhanwar Singh;Meghwal Shri Kailash

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any Memoranda and indent for ameliorating standard of living, helping in getting economic-sufficiency and prosperity to farmers and to sanction loan facility for various items and to raise the present limit of loan from banks under the control of Reserve Bank of India;
- (b) if so, the details thereof and the action being taken thereon;
- (c) whether the Government has also received complaints regarding creating hindrances in distribution of loans;
- (d) if so, the details thereof and action taken by the Government thereon; and
- (e) the remedial steps being taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANMANICKAM)

(a) and (b): Government receives Memoranda and Indent from various quarters wherein suggestions are made to augment the standard of living and bring prosperity to farmers including easy procedure for sanctioning of bar to the farmers. However, the Government have taken a number of initiatives to overcome the problems being faced by the farmers. Moreover, it is a ongoing process and all possible efforts are made to ease the difficulties of farmers from time to time. Some of the steps taken by the Government in this regard are:-

(i) Formulation of Special Agriculture Credit Plan by Public Sector Banks in 1994. Now this plan has been extended to Private Sector Banks also from the year 2005-06;

(ii) Introduction of Kisan Credit Card in 1995;

(iii) Relief measures for farmers affected by natural calamities and farmers indebted to non-institutional lenders;

(iv) One Time Settlement Scheme for small and marginal farmers;

(v) Waiver of margin/security norms for agricultural loans upto Rs. 50,000/- etc.

(c), (d) and (e) : Specific complaints received regarding hindrances in distribution of loans are redressed in consultation with agencies like Reserve Bank of India, NABARD and concerned Head Offices of the Banks/Institutions. Prompt action is taken by the Government/pro gramme implementing agencies as and when such complaints are received.