

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:11
ANSWERED ON:23.02.2010
BURDEN OF LOAN ON FARMERS
Rawat Shri Ashok Kumar

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers in the country are facing huge burden on account of loan repayment;
- (b) if so, the details thereof;
- (c) whether such burden is greater than their per capita income; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (d): As per the Report No. 498 on "Indebtedness of Farmer Households" (as part of Situation Assessment Survey of Farmers – 59th Round) of National Sample Survey Organization (NSSO), of the 89.35 million farmer households estimated in 2003, 43.42 million (48.6%) were reported to be indebted to either formal or informal or both sources of credit. Of the indebted farm households, 54% were indebted to formal sources.

As per the findings of NSSO Report No. 498, the average debt-burden per farmer household was Rs.12,585 as against per capita Net National Product of Rs.20,871 during 2003-04 (Rs.18,301 at constant (1999-2000) prices). In the states of Andhra Pradesh and Rajasthan, the debt burden was more than the average annual per capita income of the respective state. The Government has implemented Agricultural Debt Waiver and Debt Relief Scheme, 2008 under which 368.78 lakh farmers have been provided debt waiver/debt relief amounting to Rs.65318.33 crore. This has significantly reduced the institutional debt burden of farmers.