

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:5071

ANSWERED ON:27.04.2010

INDEBTEDNESS OF FARMERS

Ganeshamurthi Shri A.;Wankhede Shri Subhash Bapurao

Will the Minister of AGRICULTURE be pleased to state:

- (a) the details regarding farmer household indebtedness in the country, State-wise;
- (b) whether the debt burden on each farmer is more than the average annual per capita income in the country;
- (c) if so, the details thereof;
- (d) whether providing liberal/enhanced institutional credit to farmers by banks has increased their debt-burden; and
- (e) if so, the reaction of the Government thereto and the steps taken in this regard?

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): As per the National Sample Survey Organization Report No.498 (59th round) on 'Indebtedness of Farmers Household' out of 89.35 million farmer households 43.42 million (48.6%) were indebted in the country. State-wise details are annexed.

(b): No, Madam.

(c): Does not arise.

(d) & (e): Farmers are indebted to both institutional and non-institutional sources of credit and borrowing from non-institutional sources is the major reason for debt related farmers' distress. In order to reduce the dependence of farmers on non-institutional sources of credit, the Government has taken several initiatives for improving agricultural credit flow through institutional sources and bringing down the rate of interest on farm loans. To reduce the institutional debt burden of farmers, Government has implemented Agricultural Debt Waiver and Debt Relief Scheme, 2008 under which as per provisional estimates, 368.78 lakh farmers have been provided debt waiver/debt relief amounting to Rs.65318.33 crore. The Government has also constituted a Task Force to look into the issue of large number of farmers, who had taken loans from private money lenders.