

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2589
ANSWERED ON:04.12.2009
LOAN TO SMALL FARMERS
Nahata Smt. P. Jaya Prada

Will the Minister of FINANCE be pleased to state:

- (a) Whether only 15 per cent farmers have been given loan under debt waiver scheme in the country including Haryana, Punjab, Uttar Pradesh and Maharashtra;
- (b) if so, the details thereof, and the reasons therefor, State-wise;
- (c) whether the small fanners in the country are not getting loans from the banks for Kharif and Rabi crops despite the Reserve Bank of India (RBI) instructions;and
- (d) if so, the corrective measures taken by the banks in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): The Agricultural Debt Waiver and Debt Relief (ADWDR) Scheme, 2008, announced in the Union Budget 2008-09, stipulated as under: -

(i) All agricultural loans disbursed by scheduled commercial banks, regional rural banks and cooperative credit institutions up to March 31, 2007 and overdue as on December 31, 2007 will be covered under the scheme; and

(ii) For marginal farmers (i.e., holding upto 1 hectare) and small fanners (1-2 hectare), there will be a complete waiver of ail loans that were overdue on December 31, 2007 and which remained unpaid until February 29, 2008. In respect of other farmers, there will be a one time settlement (OTS) scheme for all loans that were overdue on December 31, 2007 and which remained unpaid until February 29, 2008. Under the OTS, a rebate of 25 per cent will be given against payment of the balance of 75 per cent. Government has extended the period of payment of 75% of overdue portion by the other farmers under one time settlement scheme under ADWDRS upto December 31, 2009.

There is no provision for granting of loan under the scheme.

(c) & (d): The details of number of Small and Marginal Farmers financed vis a vis total no.of fanners during the last three years are as under:

(No. in lakh)

Agency 2006-07 2007-08 2008-09 (Provisional)

Agency	2006-07	2007-08	2008-09 (Provisional)
Commercial Banks	172.00	174.79	202.45
	73.79	97.44	105.59
	42.90	55.75	52.16

Commer 172.00 73.79 42.90 174.79 97.44 55.75 202.45 105.59 52.16
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Banks

Coop 188.71 101.11 53.57 201.81 117.86 58.40 178.18 97.05 54.47
Banks

RRBs 62.42 39.72 63.63 62.74 42.21 67.28 75.47 42.71 56.59

Total 423.13 214.62 51.72 439.34 257.51 58.61 456.10 245.35 53.79

Source: National Bank for Agriculture and Rural Development (NABARD)

The share of Small/Marginal Farmers against the total number of accounts financed is more than 50% during the last 3 years. In addition, the Government of India has advised the State Level Bankers Committee convenors to ensure that all eligible farmers are provided with Kisan Credit Cards, to the flow of credit.