

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2147

ANSWERED ON:12.08.2011

LOAN LIABILITY OF FARMERS

Ajnala Dr. Rattan Singh;Badal Harsimrat Kaur;Deo Shri Kalikesh Narayan Singh;Gangaram Shri Awale Jaywant;Nagar Shri Surendra Singh;Reddy Shri K. Jayasurya Prakash

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the loan liability of each farmer is more than annual average per capital income in the country;
- (b) if so, the details thereof, State-wise;
- (c) whether many farmers have taken loans from private players on high interest rate for farming;
- (d) if so, the details of the quantum of such during the last three years, State-wise;
- (e) the steps taken/proposed to be taken by the Government to reduce the indebtedness of farmers in the country;
- (f) whether the Government has set some target for farm loan during the current year; and
- (g) if so, the details thereof, State-wise?

**Answer**

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

(a) & (b): State-wise details of loan liability per farmers accounts in the year 2010 is given in Annex.

(c) to (e): Details of quantum of credit taken from private players for farming are not available with the Government. The Government of India and Reserve Bank of India (RBI) have taken several measures to ensure availability of credit to farmers (including small and marginal farmers) through banks. These include:

# The Interest Subvention Scheme is being implemented by the Government of India since 2006-07 to make short-term crop loans upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7 percent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payees farmers, i.e., those who repay their loan in time. The additional subvention was 1% in 2009-10 and 2% in 2010-11. This is being increased to 3% in 2011-12.

# The Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 has de-clogged the lines of credit that were clogged due to the debt burden on the farmers.

# Banks have been advised to dispense with the requirement of `no dues` certificates for small loans up to Rs 50,000 to small and marginal farmers, share-croppers and the like and instead obtain a self-declaration from the borrower.

# RBI has advised banks to waive margin/security requirements for agricultural loans upto Rs 1,00,000.

(f) & (g): The Government has set a target of Rs 4,75,000 crore in 2011-12. Agency wise details are as under:

Agency      Target for the year  
2011-12

Commercial Banks 355,000  
Cooperative Banks 69,500  
Regional Rural Banks 50,500  
Total 475,000