

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1228

ANSWERED ON:29.11.2011

INDEBTEDNESS OF FARMERS

Nahata Smt. P. Jaya Prada;Shekhar Shri Neeraj;Singh Shri Yashvir

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether half of the population of farmers in the country are debt ridden as per the recent survey report of a Government agency;
- (b) if so, the details thereof with reference to the number of indebted farmers, State-wise including Uttar Pradesh and Bihar;
- (c) the reasons for indebtedness of farmers in the country;
- (d) whether the Government has conducted any survey to ascertain the percentage of increase in the cost of production of foodgrains, particularly wheat and paddy during the last three years; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) & (b): As per the report on the `Indebtedness of Farmer Households` (NSSO report 498 of NSS 59th Round), of the 89.35 million farmer households, 43.42 million farmer households (48.6%) were reported to be indebted to either formal or informal or both sources of credit. State-wise details including Uttar Pradesh and Bihar is at Annexure-I.

(c): Loan for the purpose of capital or current expenditure in farm business combined with successive crop failures, loan for meeting health, marriages and other social ceremonies related expenses have been identified as the major reasons for indebtedness of farmers in the country.

(d) & (e): The Government of India is implementing a scheme on Cost of Cultivation of Principal Crops for ascertaining cost of production of important food crops. The scheme covers 27 crops including paddy and wheat. These crops are selected for a block period of three years and combination of crops in each state vary from state to state depending upon their importance in terms of its relative contribution in the production of relevant crop at all India level. The cost of production data for wheat, paddy and other food grains for the last three years i.e. 2006-07, 2007-08 and 2008-09 is at Annexure-II.