

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:191
ANSWERED ON:03.07.2009
FARMER DEBT RELIEF SCHEME
Azad Shri Kirti (Jha)

Will the Minister of FINANCE be pleased to state:

- (a) whether the benefits of loan waiver scheme are extended to the farmers who have partially paid their debt;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

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

(a) to (c): 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 farmers (1-2 hectare), there will be a complete waiver of all 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.

(iii) Agricultural loans were restructured and rescheduled by banks in 2004 and 2006 through special packages. These rescheduled loans, and other loans rescheduled in the normal course as per RBI guidelines, will also be eligible either for a waiver or an OTS on the same pattern.

All loanee farmers, including those who partially repaid their loans, are covered under the Scheme provided they fulfill the above criteria of the Scheme.