

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:251

ANSWERED ON:29.08.2012

OUTSTANDING FARMER LOANS

Ajnala Dr. Rattan Singh;Shekhar Shri Neeraj

Will the Minister of FINANCE be pleased to state:

- (a) the details of the average loans outstanding against the farmers in the country during the last three years and the current year, State-wise including Punjab;
- (b) whether the Government proposes to waive off loans of farmers in view of the severe drought, floods and pathetic condition of farmers in various States and if so, the details thereof;
- (c) whether the Government has initiated any alternative measures for the farmers to help them to overcome this crisis;
- (d) if so, the details thereof; and
- (e) the time by which a final decision in this regard is likely to be taken ?

Answer

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (e) : A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 251 to be answered on 29th August, 2012 regarding Outstanding Farmer Loans, tabled by Dr.Rattan Singh Ajnala and Shri. Neeraj Shekhar.

(a): The balance outstanding in total advances to agricultural and allied activities in the Commercial Banks was Rs.3,75,594.91crore in 2009-10, Rs.4,63,321.44 crore in 2010-11 and Rs.5,07,175.61 crore in 2011-12. The State-wise details are at Annexure-I.

The total agricultural loans outstanding in the Regional Rural Banks and Cooperative Banks was Rs.1,22,761.72 crore in 2009-10, Rs.1,42,835.26 crore in 2010-11 and Rs.1,62,842.38 crore in 2011-12 The State-wise details are at Annexure-II.

(b) to (e): No Madam. However, in order to provide relief to bank borrowers in times of natural calamities, Reserve Bank of India has issued standing guidelines to banks. The guidelines, inter alia, contain directions to banks to ensure that the meetings of the District Consultative Committees or State Level Banker's Committees are convened at the earliest to evolve a co-ordinated action plan for implementation of the rehabilitation programme in coordination with the state/ district authorities. Banks have been advised to consider moratorium period of atleast one year in all cases of restructuring and not to insist for additional collateral security for such restructured loans. Asset classification for restructured loans will remain the same as prevalent at the time of restructuring for a period of one year. Banks are required to give adequate publicity to their relief arrangements. The rehabilitation measures inter alia include issuance of fresh loans for consumption and resumption of normal business as well as restructuring of existing loans.