

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4507  
ANSWERED ON:21.02.2014  
INDEBTEDNESS OF FARMERS  
Ram Shri Purnmasi

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

- (a) whether the farmers in the country are still debt ridden;
- (b) if so, the details thereof along with the details of debt ridden farmers during the last three years and current year, State/ UT-wise;
- (c) whether per farmer debt burden is higher than the average annual per capita income in the country;
- (d) if so, the details thereof along with the reasons for rise in the indebtedness of farmers; and
- (e) the steps taken/being taken by the Government in this regard?

**Answer**

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (e) :- The last Report on the "Indebtedness of Farmer Householders" (NSS 59th Round) released by the National Sample Survey Organisation(NSSO) in May, 2005. No report in this regard has been published by NSSO thereafter.

The Banks have been sensitized about the importance of timely and hassle-free availability of agricultural credit to farmers in the country.

In order to help indebted farmers, the Government in the year 2008 had announced the Agriculture Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 which benefited 3.73 crore farmers amounting to Rs. 52,259.87 crore in the country.

In addition, with the objective of making credit available to farmers, the Government has been fixing annual targets for flow of credit to agriculture which are surpassed by the banking sector every year.

As a result of the steps taken by the Government the number of crop loan accounts have also increased from 439.34 lakh in 2007-08 to 703.57 lakh in 2012-13. The share of small and marginal farmers in the number of accounts financed by the banks has also improved during the period from 257.51 lakh to 415.61 lakh.

Further, to ease the burden of interest on farmers, the Government is also providing interest subvention 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% per annum. Additional subvention of 3% is allowed to prompt-payee farmers.

The Government has also revised the Kisan Credit Card(KCC) Scheme to make it an ATM-cum-Debt Card valid for five years without any processing fee upto the limit of Rs. 3 lakhs and one-time documentation with no requirement of margin, as the margin has been built into the scale of financing.