

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3576

ANSWERED ON:14.12.2012

DEBT RIDDEN FARMERS

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Will the Minister of FINANCE be pleased to state:

- (a) the number of debt-ridden farmers during the last three years and current year in the country;
- (b) the number of farmers benefited from the loan waiver scheme during the aforesaid period, State-wise including Bihar and Chhattisgarh: and
- (c) the steps taken/being taken by the Government to reduce the debt burden of farmers?

Answer

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

(a): State-wise data of agriculture credit (no. of accounts and outstanding amount) of All Scheduled Commercial Banks for the years 2009 to 2012 as reported by the Reserve Bank of India (RBI) is indicated in Annexure-I.

(b) & (c): The Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 has de-clogged the line of credit that were clogged due to the debt burden on the farmers. Under the scheme 3.73 crore farmers have been benefited to the extent of Rs.52,259.86 crore.

The State-wise details of implementation of the Scheme in respect of Regional Rural Banks and Cooperative Banks are given in Annex-II. The bank wise details in respect of Public Sector Banks, Private Sector Banks and Local Area Banks are given in Annex-III.

The Government of India has taken several measures for the availability of credit to farmers in general and small and marginal farmers in particular. These include:

(i) 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, 2% in 2010-11 and 3% in 2011-12. Further, in order to discourage distress sales, the benefit of interest subvention was made available in the year 2011-12 to small and marginal farmers having Kisan Credit Card for a further period of up to six months post harvest on the same rates as available to crop loans against negotiable warehouse receipts for keeping their produce in warehouses. The interest Subvention Scheme for the year 2011-12 has been continued in 2012-13 as well.

(ii) 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

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