

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3149

ANSWERED ON:07.08.2015

Agricultural Debt Waiver and Relief Scheme

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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has made any changes under Agricultural Debt Waiver and Debt Relief Scheme and if so, the details thereof;
- (b) whether any irregularities were reported while implementing the scheme and if so, the details thereof, State-wise including Andhra Pradesh and Telangana along with the action taken thereon;
- (c) whether the said scheme has not benefited farmers in the country;
- (d) if so, the details and the reasons therefor;
- (e) whether banks have restricted credit flow subsequently to waiver schemes; and
- (f) if so, the details thereof and the reasons therefor?

Answer

The Minister of State in the Ministry of Finance
(Shri Jayant Sinha)

(a) to (d): The Agricultural Debt Waiver and Debt Relief Scheme, 2008 (ADWDRS, 2008) was announced in the Union Budget 2008-09 and detailed guidelines for ADWDRS, 2008 were issued on 28.5.2008. The Scheme covered 3.73 crore farmers to the extent of Rs. 52,259.86 crore. The debt waiver portion of the ADWDRS, 2008 was closed by its due date i.e. 30.6.2008, while the debt relief portion of the Scheme was extended till 31.12.2009 and further upto 30.6.2010.

The Performance Audit of the ADWDRS, 2008 was carried out by the Comptroller & Auditor General of India (CAG) from April, 2011 to March, 2012, covering 25 States including the then undivided State of Andhra Pradesh. The said Performance Audit reported various errors of inclusion and exclusion at the beneficiary level.

Based on the feedback during Exit Conference with CAG on 7.12.2012, the Government on 11.1.2013 directed all institutions to take immediate corrective action, including recovery of such amounts from ineligible beneficiaries, recovery of any excess payment and fixing responsibility of the bank staff in appropriate cases. Based on the re-verification exercise by lending institutions, recoveries to the tune of Rs.627.68 crore have been made. Disciplinary action have also been taken against the delinquent staff by the lending institutions.

(e) & (f): After the closure of ADWDRS, 2008, the banks have not restricted credit flow to agriculture and they have surpassed the agriculture credit target fixed by the Government during successive years, as under:

(Amount in Rs Crore)		
Year	Target	Achievement
2007-08	2,25,000	2,54,657
2008-09	2,80,000	3,01,908
2009-10	3,25,000	3,84,514
2010-11	3,75,000	4,68,291
2011-12	4,75,000	5,11,029
2012-13	5,75,000	6,07,376
2013-14	7,00,000	7,30,765.61*
2014-15	8,00,000	8,45,328.23*
2015-16	8,50,000	---

* Provisional

Source: RBI/NABARD/IBA/PSBs