

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1873

ANSWERED ON:22.07.2014

INDEBTEDNESS OF FARMERS

Reddy Shri Mekapati Rajamohan;Roy Prof. Saugata

Will the Minister of AGRICULTURE be pleased to state:

- (a) the details of the indebtedness of farmer household in the country, State/UTwise;
- (b) whether the Government has conducted any survey regarding 'Indebtedness of Farmer Household';
- (c) if so, the details and the findings of the survey thereof;
- (d) whether the debt burden on each farmer is more than the average annual per capita income in the country and if so, the details thereof; and
- (e) the steps taken by the Government to reduce the burden of debt of farmers in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a) to (c): As per National Sample Survey Organization (NSSO) Report No. 498 on the "Indebtedness of Farmer Households" (as part of Situation Assessment Survey of Farmers – 59th Round), 48.6% of the estimated numbers of farmer households were reported to be indebted. The State/UT-wise details of the indebtedness of farmer households are given in Annexure-I.

(d): The State/UT-wise details of estimates of outstanding loan and average monthly income per farmer household during the agricultural year July, 2002 – June, 2003 as reported in the Situation Assessment Survey of Farmers conducted during January, 2003 – December, 2003 are given in Annexure-II.

(e): Farmers are indebted to both institutional and non-institutional sources of credit. However, borrowing from non-institutional sources is the major reason for debt related farmers distress. In order to reduce the dependence of farmers on private money lenders for meeting their credit needs and for providing relief to the indebted farmers, Government has taken several measures to increase institutional credit flow and bringing more and more farmers including small and marginal farmers within the institutional credit fold. These measures, inter alia, includes fixation of annual targets for improving agricultural credit flow, provision of crop loans upto Rs.3.00 lakh @4% per annum to such farmers who repay their loan as per the repayment schedule fixed by the banks, extension of benefit of interest subvention scheme to small & marginal farmers having Kisan Credit Card for a further period upto six months for storing their produce in warehouses against negotiable warehouse receipts, collateral free loan upto Rs.1.00 lakh, scheme for financing of Joint Liability Group (JLGs) etc.