

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3392
ANSWERED ON:12.12.2014
AGRICULTURAL LOAN DEFAULTERS
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Will the Minister of FINANCE be pleased to state:

- (a) whether the agricultural loan defaulters have increased significantly;
- (b) if so, the details thereof and the amount of agricultural loan defaulted and average loan of farmers outstanding during the last three years and the current year, bank and State-wise;
- (c) whether the Government has any scheme to help the distressed farmers; and
- (d) if so, the details thereof?

Answer

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

(a)& (b): The details of outstanding agricultural loans and position of Gross Non-Performing Assets (GNPAs) during the last three years and the current year (upto September, 2014) in respect of Public Sector Banks (PSBs) are as under :

(Rs.in crore)

Agricultural Loan	31.3.2012	31.3.2013	31.3.2014	Sep-14#
GROSS ADVANCES	4,72,447	5,34,289	6,40,993	646241
GROSS NPAs	22,662	28,025	31,792	38,703
GNPA RATIO	4.80%	5.25%	4.96%	5.99%

Provisional data Source : Reserve Bank of India (RBI)

The Bank-wise details of outstanding agricultural loans and position of GNPAs during the last three years and the current year (upto September, 2014) in respect of PSBs are given in Annexure. State-wise data for the same is not maintained.

(c) & (d) : In order to help the distressed farmers, the Government/RBI/National Bank for Agriculture & Rural Development (NABARD) have, inter alia, taken following major steps:-

In order to provide relief to borrowers in times of natural calamities, the Reserve Bank of India (RBI) and NABARD have issued standing guidelines for relief measures to be provided by respective lending institutions in areas affected by natural calamities which, inter alia, include identification of beneficiaries, extending fresh loans and restructuring of existing loans, relaxed security and margin norms etc. The moment calamity is declared by the concerned District Authorities, these Guidelines have been so designed that they are automatically set in motion without any intervention and this saves precious time.

Government provides 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. In case of prompt repayment, there is further subvention of 3% reducing the interest rate effectively to 4%.

Government has introduced the Kisan Credit Card (KCC) Scheme, which enables them to purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw cash to satisfy their consumption needs.

The KCC Scheme has since been simplified and converted into ATM enabled debit card with, inter alia, facilities of one-time documentation and built-in cost escalation in the limit, etc.

Banks have been advised to waive Margin/Security requirement for agricultural loans upto Rs.1 lakh.

Banks have also been advised to dispense with the requirement of 'no dues' certificate for small loans upto Rs.50,000/- to small and marginal farmers, share-croppers, etc. and, instead, obtain self-declaration from the borrower.