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Title: Need to extend loan-waiver scheme to all agricultural loans availed upto 29.2.2008.

SHRI A.V. BELLARMIN (NAGERCOIL): I wish to bring to the notice of the Government that the particulars of Agricultural Loans, including Gold Loans, advanced by the Commercial Banks up to 31-3-2007 and remain unpaid as 31-12-2007, are being collected by the Government. It is pertinent to note the following realities in this matter before computing this item of Loans. Gold Loan for Agriculture purposes, are advanced as a term loan for just one year at a very lower rate of Interest far below the Bench Mark lending rate. If the loan is either not paid in full with Interest within the stipulated one year, the Jewels will be auctioned and the dues will be adjusted from the auction proceeds. The poor loanees, either release the jewels, by borrowing from neighbours and repledge the same on the very same day or in the next day. At times some prefer to avail of the gold Loan at a higher rate prevailing then. Thus the loanees are compelled to part with their jewels with the Banks either way. As such the cut off date given by the Government for loan sanctioned till 31-3-07 and remain unpaid as on 31-12-07 will not serve the purpose and will not help the loanees who availed the Gold Loan on or before 31-12-2007. I, therefore, request the Government to extend the waiver for all loans outstanding as on 29-2-2008, the day the decision was announced in the Budget.

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\* Treated as laid on the Table.