

Government of India
Ministry of Finance
Department of Financial Services
LOK SABHA
Starred Question No. †*142
To be answered Friday, July 27, 2018/Shravana 5, 1940 (Saka)
Farm Loan Waiver Scheme

†*142. SHRI LAKHAN LAL SAHU:

Will the Minister of FINANCE be pleased to state:

(a) the present status of giving agriculture loans to the farmers in the country, particularly in the drought prone areas;

(b) whether the farmers from drought prone areas of the country have been benefited through waiving off their loans under the loan waiver scheme; and

(c) if so, the details thereof, State/ UT-wise and if not, the reasons therefor?

Answer
The Minister of Finance
(Shri Piyush Goyal)

(a) to (c) : A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. *142 to be answered on 27.07.2018 regarding Farm Loan Waiver Scheme by SHRI LAKHAN LAL SAHU.

(a): The details of the State wise agriculture loan disbursement including the drought prone areas during last 02 years as reported by National Bank for Agriculture and Rural Development (NABARD) is given in Annexure. Agriculture credit target for year 2018-19 has been set at Rs. 11,00,000 crore.

(b) & (c): As informed by NABARD, since 2014, the State Governments of Tamil Nadu, Maharashtra, Karnataka, Andhra Pradesh, Uttar Pradesh, Jammu & Kashmir, Punjab, Telengana and Rajasthan have announced their own schemes, inter alia, for loan waiver of farmers. The Central Government has, inter alia, taken the following major initiatives to reduce the debt burden of farmers and for development of agriculture and welfare of farmers:

- With a view to ensure availability of agriculture credit at a reduced interest rate of 7% p.a. to the farmers, the Government of India in the Department of Agriculture Cooperation and Farmers' Welfare (DAC&FW) implements an interest subvention scheme for short term crop loans up to Rs. 3.00 lakh. The scheme provides interest subvention of 2% per annum to Banks on use of their own resources. Besides, additional 3% incentive is given to the farmers for prompt repayment of the loan, thereby reducing the effective rate of interest to 4%. Further, in order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against warehouse receipts, the benefit of interest subvention scheme has been extended to small and marginal farmers having Kisan Credit Card for a further period of up to six months post-harvest on the same rate as available to crop loan against negotiable warehouse receipt for keeping their produce in Warehouses accredited by Warehousing Development Regulatory Authority (WDRA).
- Under the aforesaid interest subvention scheme, to provide relief to farmers affected by natural calamities, the interest subvention on crop loan continues to be available to banks for the first year on the restructured amount. Such restructured loans may attract normal rate of interest from the second year onwards as per policy laid down by the Reserve Bank of India (RBI).

- Reserve Bank of India has issued directions for Relief Measures to be provided by respective lending institutions in areas affected by natural calamities which, inter alia, include, restructuring/rescheduling of existing crop loans and term loans, extending fresh loans, relaxed security and margin norms, moratorium, etc. These directions have been so designed that the moment calamity is declared by the concerned District Authorities they are automatically set in motion without any intervention, thus saving precious time. The benchmark for initiating relief measures by banks has also been reduced to 33% crop loss in line with the National Disaster Management Framework. In addition, Loan to distressed farmers indebted to non-institutional lenders is an eligible category of farm credit under the Priority Sector Lending (PSL) as per directions issued by RBI.

- Pradhan Mantri Fasal BimaYojana (PMFBY) provides a comprehensive insurance cover against failure of insured crops due to non-preventable natural risks, thus providing financial support to farmers suffering crop loss/ damage arising out of unforeseen events; stabilizing the income of farmers to ensure their continuance in farming; and encouraging them to adopt innovative and modern agricultural practices. For development of agriculture and welfare of farmers of the country, the Government in DAC&FW, is implementing various Central Sector/ Centrally Sponsored Schemes, which include:

- (i) RashtriyaKrishiVikasYojana (RKVY)
- (ii) National Food Security Mission (NFSM)
- (iii) National Agriculture Market (e-NAM)
- (iv) National Mission For Sustainable Agriculture (NMSA)

Annexure to in reply to Lok Sabha SQ 142 for 27.07.2018

Agriculture Credit Disbursement Data

Rs. Lakh							
S.No.	State/UT	2016-17			2017-18(Provisional)		
		Total Agri. Credit			Total Agri. Credit		
		Crop Loan	Term Loan	Total Loan	Crop Loan	Term Loan	Total Loan
1	DELHI	8,37,769.83	11,56,395.14	19,94,164.97	6,53,938.57	13,05,860.60	19,59,799.17
2	HARYANA	36,27,486.50	13,20,620.63	49,48,107.13	38,84,376.61	16,66,695.25	55,51,071.86
3	HIMACHAL PRADESH	4,41,953.30	1,69,661.26	6,11,614.56	10,90,641.71	3,43,277.77	14,33,919.48
4	JAMMU & KASHMIR	6,70,230.34	59,443.72	7,29,674.06	9,24,862.13	2,05,310.85	11,30,172.98
5	PUNJAB	58,03,430.42	16,26,716.41	74,30,146.82	52,98,693.13	20,21,457.83	73,20,150.96
6	RAJASTHAN	57,87,553.14	16,42,832.47	74,30,385.60	63,59,453.89	17,39,522.94	80,98,976.83
7	CHANDIGARH UT	75,278.84	65,315.76	1,40,594.60	1,29,425.74	1,06,392.70	2,35,818.44
8	ARUNACHAL PRADESH	2,777.29	10,481.37	13,258.66	2,672.31	5,669.78	8,342.09
9	ASSAM	1,56,819.66	4,53,387.75	6,10,207.41	1,50,700.21	5,24,913.63	6,75,613.84
10	MANIPUR	5,899.36	19,212.82	25,112.17	3,754.31	23,525.73	27,280.04
11	MEGHALAYA	28,170.23	8,660.83	36,831.05	28,662.96	6,410.66	35,073.62
12	MIZORAM	3,035.56	8,400.07	11,435.63	2,324.91	15,168.70	17,493.61
13	NAGALAND	7,290.05	5,649.16	12,939.21	8,263.27	12,238.44	20,501.71
14	SIKKIM	10,797.21	5,372.44	16,169.65	6,575.12	5,924.16	12,499.28
15	TRIPURA	33,507.78	1,17,804.75	1,51,312.53	70,474.85	1,62,097.76	2,32,572.61
16	A & N ISLAND	3,596.87	9,901.33	13,498.20	4,205.19	7,818.32	12,023.51
17	BIHAR	14,21,862.40	11,96,595.97	26,18,458.38	14,43,529.59	12,55,143.78	26,98,673.37
18	JHARKHAND	2,82,139.80	1,55,859.39	4,37,999.18	2,10,042.59	1,68,050.80	3,78,093.39
19	ODISHA	15,81,164.22	5,45,332.24	21,26,496.46	15,65,007.16	7,12,714.29	22,77,721.45
20	WEST BENGAL	12,94,390.77	21,95,181.55	34,89,572.32	14,84,862.62	26,07,160.59	40,92,023.21
21	CHHATTISGARH	9,36,350.26	2,87,391.88	12,23,742.13	10,85,310.57	4,34,612.19	15,19,922.76
22	MADHYA PRADESH	42,90,984.78	13,23,921.63	56,14,906.41	45,98,690.12	14,44,498.35	60,43,188.47
23	UTTARAKHAND	3,67,117.61	2,83,425.81	6,50,543.42	4,69,270.49	3,18,856.75	7,88,127.24
24	UTTAR PRADESH	59,59,266.02	21,99,135.39	81,58,401.41	62,51,162.20	22,62,452.54	85,13,614.74
25	GOA	21,884.90	79,242.76	1,01,127.66	33,929.15	90,621.49	1,24,550.64
26	GUJARAT	33,86,445.60	20,41,224.15	54,27,669.75	39,67,145.51	23,01,147.94	62,68,293.45
27	MAHARASHTRA	41,33,883.12	40,04,500.51	81,38,383.63	26,97,318.50	49,74,947.60	76,72,266.10
28	D & N HAVELI UT	2,713.05	5,304.05	8,017.10	1,304.20	5,280.02	6,584.22
29	DAMAN & DIU UT	1,278.98	2,179.35	3,458.32	1,215.66	2,110.30	3,325.96
30	ANDHRA PRADESH	61,39,148.29	31,47,713.85	92,86,862.14	79,70,017.76	33,72,729.98	1,13,42,747.74
31	TELANGANA	47,28,922.01	20,59,613.42	67,88,535.43	44,95,791.77	13,94,959.64	58,90,751.41
32	KARNATAKA	41,67,717.58	36,40,554.54	78,08,272.12	44,15,231.04	35,23,145.98	79,38,377.02
33	KERALA	44,41,564.73	23,32,311.72	67,73,876.45	54,75,965.97	29,41,741.72	84,17,707.69
34	PUDUCHERRY	3,33,856.30	1,95,152.12	5,29,008.42	1,84,606.14	76,192.52	2,60,798.66
35	TAMILNADU	79,59,389.93	52,55,066.75	1,32,14,456.68	1,05,27,636.06	53,14,064.40	1,58,41,700.46
36	LAKSHADWEEP UT	54.93	272.37	327.30	50.78	454.92	505.70
	TOTAL	6,89,45,731.64	3,76,29,835.36	10,65,75,567.01	7,54,97,112.79	4,13,53,170.92	11,68,50,283.71

Source: NABARD