

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 490**  
TO BE ANSWERED ON 29/11/2024

**INDEBTNESS OF FARMERS IN ODISHA**

490. SHRI MANAS RANJAN MANGARAJ:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) the average amount of debt per farmer in Odisha for each of the last five years, highlighting trends and challenges;
- (b) the key measures taken by Government, including loan waivers, interest subvention, and financial assistance scheme, to reduce farmer indebtedness in Odisha; and
- (c) the details of the effectiveness of these measures in alleviating the burden of debt?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE  
(SHRI RAMNATH THAKUR)

(a): The details of agriculture loan in Odisha are as follows: -

Year	2019-20	2020-21	2021-22	2022-23	2023-24
(A) Total Agri loan outstanding (Rs. in Lakh)	38,96,520	40,42,262	50,87,577	61,08,980	79,02,575
(B) No of A/c against outstanding amount	68,99,671	79,86,500	87,04,520	89,56,141	108,41,023
(C) Debt per Farmer (in Rs.)	56,474	50,614	58,448	68,210	72,895
<b>(Source SLBC – Odisha – Agenda -175,171,163,158&amp;159- Annexures) (the above figure pertains to Total Agri loan) – relevant pages enclosed.</b>					

The number of accounts of the farmers opting for credit through institutional sources has increased by 39.41 lakhs from 31.03.2020 to 31.03.2024. Further, the outstanding per agricultural loan account is increasing gradually from Rs.56,474/- as on 31.03.2020 to Rs.72,895/- as on 31.03.2024. In addition, the decreasing trend of NPA from 11.13% to 6.67% during the same period

indicates improvement in the repaying capacity of the farmer. However, average per account loan in Odisha is below the National average of Rs. 1.27 Lakhs.

(b): The details are as follows: -

**I. Interest Subvention for Crop loan:** The government is implementing a 100% centrally funded Central Sector Scheme known as the Modified Interest Subvention Scheme (MISS). This scheme aims to provide concessional interest rates on short-term agricultural loans obtained by farmers through Kisan Credit Cards (KCC) for their working capital requirements. Under this scheme, farmers receive KCC loans at a subsidized interest rate of 7%. To facilitate this, an up front interest subvention (IS) of 1.5% is provided to financial institutions. Additionally, farmers who repay their loans promptly receive a 3% Prompt Repayment Incentive (PRI), effectively reducing the interest rate to 4% per annum. The benefits of IS and PRI are available for loan limits up to Rs.3 lakhs. However, if the short-term loan is taken for allied activities (other than crop husbandry), the loan amount is limited to Rs.2 lakhs only.

Under MISS scheme, an amount of Rs 1,44,673.73 Cr (during FY 2014-2015 to FY 2023-24) has been given as Interest Subvention (IS) and Prompt Repayment Incentive (PRI) to KCC holders across the country, which includes Odisha.

The state wise distribution of subvention amount is not available as the scheme is demand driven and no state specific target/ achievement is maintained.

**II. Financial Support under PM KISAN Scheme for the State of Odisha**

For the State of Odisha, since the inception of PM Kisan scheme, Rs. 11,423.77 Cr has been transferred in the bank account of farmers through DBT.

**III. Financial Support to farmers of Odisha under Pradhan Mantri Fasal Bima Yojan (PMFBY) Scheme**

Farmers in Odisha were paid claim of Rs.4670.4 Cr since 2018-19 due to crop losses to prevent distress as per following details-

*Data as on 30 October 2024*

PMFBY Parameters -- ODISHA	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>No. of farmers insured (in lakhs)</b>	<b>15.9</b>	<b>21.2</b>	<b>17.1</b>	<b>13.0</b>	<b>12.1</b>	<b>24.9</b>
Area Insured (in lakh hectares)	14.9	18.7	11.9	10.2	9.3	16.0
Claims Paid (in INR Crores)	1,170.5	1,157.7	572.4	1,045.9	568.0	155.9

**IV. Odisha Government Schemes -** Besides schemes of Department of Agriculture & Farmers Welfare, Government of India, Odisha Government is also taking steps to provide interest subvention and financial assistance to farmers and details thereof is given in **Annexure-I**.

(c): During the last 05 years, a decreasing trend of NPA has been observed against the total agriculture financing. The details of the same are given hereunder:

FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
11.13%	9.99%	10.37%	7.98%	6.67%

*(Source SLBC – Odisha)*

**Details of financial assistance to farmers through Odisha Government**

**I. Additional Interest Subvention on KCC loan**

The Govt. of Odisha also provides additional interest subvention to farmers repaying on time so that they get crop loan at RoI as under:

- (i) 0% RoI- for crop loan up to Rs.1 lakh
- (ii) 2% RoI – for crop loan from Rs.1 lakh to Rs.3 lakh

(Para-2.2-Govt of Odisha notification no. COOP-CR1-CRB-0013-2019-6964 /Coop dated 02/09/2024)

**II. Interest Subvention for Agri-Term Loan**

The State Government is providing interest subvention 4% on Agri Term Loan provided by Co-operative Bank and Commercial Banks/ RRBs. The maximum amount of loan eligible for interest subvention is Rs. 50.00 lakh. In case of long-term loans sanctioned beyond Rs 50.00 lakh, the farmer will pay interest at the bank applicable rate for the loan over and above Rs.50.00 lakh. The amount of 4% interest subvention provided by Government of Odisha will be calculated from the date of disbursement of loan up to the date of actual repayment of loan by the farmer or up to the due date of loan fixed by Bank whichever is earlier. Additional 3% interest subvention will be made for prompt repayment of instalments in due time.

**(Ref:** Govt of Odisha notification no. COOP-CR1-CRB-0019-2021/3681 /Coop dated 16/03/2024.)

**III. Mukhaymantri Krishi Udyog Yojana (MKUY)**

The Government of Odisha is providing assistance for establishment of Commercial Agri Enterprises in Odisha. The pattern of assistance is as under:

- (i) 40% of the fixed capital investment (excluding the cost of the land) subject to a maximum limit of Rs.50.00 lakh for general entrepreneurs.
- (ii) 50% of the fixed capital investment (excluding the cost of the land) subject to a maximum limit of Rs.50.00 lakh for SC/ST/Women/Persons with Disabilities (PwD)/Graduates of Agriculture and Allied Disciplines.
- (iii) Group of Individuals like registered FPOs, FPCs, FPGs, NGOs, SHGs, PACS, LAMPCS, Farmers Cooperative Societies (including agricultural/ allied sectors) and Apex Federations such as OMFED, OPOLFED, FISHFED and Companies registered under Companies Act 2013 etc. will be eligible for availing CIS to the tune of 40% limited to Rs.50.00 lakh.

(iv) If all members of the entity are women/ SC/ST/PwD/ Graduates in Agriculture and allied discipline, then they will be entitled for CIS @ 50% limited to Rs.50.00 lakh.

(v) Subsidy upper limit of Rs.50.00 lakhs under MKUY is for one entrepreneur / family. Family shall mean a family unit consisting of the individual concerned, his or her spouse, their unmarried sons, daughters and married sons and dependent parents as per the Odisha Public Distribution System (Control) Order, 2016. The entrepreneur has to provide a self-declaration on the list of his / her family members and declare that he/she or his/her family members have not availed subsidy amounting to Rs.50.00 lakh under MKUY including the current subsidy claim.

(Ref: Department of Agriculture & Farmers Empowerment notification no 29084-AP-II-36/2017/A&FE dated 23<sup>rd</sup> December 2022)

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