

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
Unstarred Question No. 3781
To be answered on Friday, March 24, 2017/Chaitra 3, 1939 (Saka)
Repayment of Agricultural Loans

3781. SHRI RAM CHARITRA NISHAD:

Will the Minister of FINANCE be pleased to state:

- (a) Whether the farmers have sought more time to pay their agricultural loans post demonetisation;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the action taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance
(Shri Santosh Kumar Gangwar)

(a) to (c) : Post demonetisation, the Government has taken the following relief measures for the farming sector:

i. The Government decided that an additional grace period of 60 days for prompt repayment incentive @ 3% will be provided to such of the farmers whose crop loans dues fall due between 01/11/2016 to 31/12/2016 and if such farmers repay the same within 60 days from their due date in this period.

ii. The Government also decided to grant interest waiver for two months (November and December, 2016) for all short term crop loan availed from Cooperative Banks between 01.04.2016 to 30.09.2016 and upfront deposit of the same in the accounts of the concerned farmers.

iii. National Bank for Agriculture and rural Development (NABARD) will make short term borrowings at prevailing market rate of interest for approx. Rs. 20,000 crore for on-lending to Cooperative Banks at 4.5% rate of interest.