

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2669**  
TO BE ANSWERED ON THE 1<sup>ST</sup> AUGUST, 2017

**CROP LOANS FOR BORDER AREA's FARMERS**

2669. SHRI GURJEET SINGH AUJLA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the details of mechanism put in place to provide short and long term crop loans to the farmers at lower interest rate especially to the farmers dwelling along international border and beyond barbed wire; and
- (b) the number of debt ridden farmers in Punjab and the steps taken by the Government to provide income support and relief to them especially to the farmers dwelling along the international border and beyond barbed wire?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a): The Government of India has been setting annual targets for the flow of ground level credit (comprising of production loan and investment credit) to the agriculture sector. These targets have been suitably increased every year to ensure that farmers get adequate and timely credit for their crop production and agri-allied activities. These targets have been surpassed by Banks for over the years. The details of targets and the achievement for all banks (Commercial Banks, Regional Rural Banks (RRBs) and Co-operative Banks) for the last 3 years and the current year are as under:

(Rs. in crore)			
Year	Target	Achievement	% Achievement
2014-15	800,000.00	845,328.23	105.67
2015-16	850,000.00	915,509.92	107.71
2016-17	900,000.00	1,065,755.67	118.42
2017-18	1,000,000.00		

As per Government of India's present policy, interest rate on Short Term Crop Loans to farmers is charged @7% per annum on loans upto Rs.3.00 lakh per farmer. Further, rebate of 3% is available to farmers for prompt repayment of loans. Thus effectively crop loan is available @4% on loans upto Rs.3.00 lakh to such of the farmers who repay their crop loans within the time limits fixed by the banks. The scheme is applicable for all farmers in the country.

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In order to give a boost to long term investment credit in agriculture, Government of India has set up a “Long Term rural credit Fund” with NABARD for providing long term refinance support for investment credit in agriculture activity exclusively for Cooperative banks (State Cooperative Banks, State Cooperative Agriculture and Rural Development Banks and Regional Rural Banks). During the year 2016-17, refinance under this fund was provided at 5.40% and 5.15%. The fund is allocated every year by Reserve Bank of India (RBI) out of the shortfall in priority sector lending targets by Scheduled Commercial Banks.

(b): As per National Sample Survey Office (NSSO) Survey (70<sup>th</sup> Round, 2013) “Key Indicators of Debt and Investment in India”, 40.19% of Cultivators Households are indebted in Punjab. Details of Loans disbursed under agriculture (crop loan and term loan) during 2016-17 from formal banking sector in the 6 border districts of Punjab is at Annexure.

**Annexure**

**Details of Loans disbursed under agriculture (crop loan and term loan) during 2016-17 from formal banking sector in the 6 border districts of Punjab**

**(Rs. Crore)**

<b>S. No.</b>	<b>Border Districts</b>	<b>Crop loan disbursed during 2016-17</b>		<b>Term Loan disbursed during 2016-17</b>		<b>Total</b>	
		<b>Number of Accounts</b>	<b>Amount</b>	<b>Number of Accounts</b>	<b>Amount</b>	<b>Number of Accounts</b>	<b>Amount</b>
1.	Amritsar	107825	4292.19	23835	949.60	131660	5241.79
2.	Fazilka	94709	2863.87	30037	708.43	124746	3572.30
3.	Ferozpur	103071	4718.46	15763	446.95	118834	5165.41
4.	Gurdaspur	80964	2444.62	29867	828.66	110831	3273.28
5.	Pathankot	10487	378.44	4418	82.61	14905	461.05
6.	Tarn Taran	53741	3884.05	4770	571.02	58511	4455.07
	<b>Total</b>	<b>450797</b>	<b>18581.63</b>	<b>108690</b>	<b>3587.27</b>	<b>559487</b>	<b>22168.90</b>

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