

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
Unstarred Question No. 86
To be answered Friday, February 02, 2018/Magha 13, 1939 (Saka)
Farm Loan Waiver Scheme

86. SHRI RAJENDRA AGRAWAL:

SHRI SADASHIV LOKHANDE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any proposal/scheme to waive agricultural loan obtained from banks by farmers, if so, the details thereof and if not, the reasons therefor;

(b) the details of the amount of outstanding agricultural loans provided by banks during the last three years, bank, State/UT-wise;

(c) whether the Government has set up any monitoring agency at the Central level or issued directives to State Governments with regard to the prevention of irregularities and lapses in the implementation of farm loan waiver schemes; and

(d) if so, the details thereof, if not, the reasons therefor?

Answer

The Minister of State in the Ministry of Finance
(Shri Shiv Pratap Shukla)

(a) and (b): There is no proposal under consideration of the Union Government to waive off loans of farmers. However, to reduce the debt burden of farmers, the following major initiatives have been taken:

- 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 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%.

- 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.

- Pradhan Mantri Fasal Bima Yojana (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) Rashtriya Krishi Vikas Yojana (RKVY)
- (ii) National Food Security Mission (NFSM)
- (iii) National Agriculture Market (e-NAM)
- (iv) National Mission For Sustainable Agriculture (NMSA)

The details of the State wise and agency-wise agriculture loan outstanding during last 03 years as reported by National Bank for Agriculture and Rural Development (NABARD) is given in Annexure.

(c) and (d): As informed by NABARD, during the years 2016 and 2017 some State Governments have announced their own schemes, inter-alia, of waiver of loan of farmers. The Union Government has not issued any directives to State Governments in this regard.

		36.15	-	93.77	129.92	164.30	-	138.65	302.96	54.54	-	93.44	
17	BIHAR	13,452.02	7,011.14	21,020.35	41,483.51	756.16	8,855.89	21,758.13	31,370.17	1,142.82	10,938.49	22,812.72	34,894.03
18	JHARKHAND	43.00	953.62	4,961.16	5,957.77	39.40	1,159.67	6,130.45	7,329.52	41.17	1,325.18	5,940.23	7,306.58
19	ODISHA	7,070.96	3,195.74	10,131.54	20,398.24	8,928.66	3,550.89	11,323.44	23,802.99	10,614.06	3,610.50	12,628.67	26,853.23
20	WEST BENGAL	4,071.43	3,106.40	24,125.37	31,303.20	4,035.17	3,308.19	33,547.99	40,891.36	4,251.28	3,091.44	31,119.90	38,462.61
	Eastern Region Total	24,673.57	14,266.90	60,332.17	99,272.64	13,923.69	16,874.64	72,898.67	1,03,697.00	16,103.87	18,965.61	72,594.96	1,07,664.43
21	CHHATTISGARH	2,869.60	1,115.42	6,371.70	10,356.72	3,572.32	1,187.64	6,595.41	11,355.38	2,145.56	1,162.56	9,220.75	12,528.87
22	MADHYA PRADESH	12,040.75	6,537.53	44,838.11	63,416.38	10,621.75	6,788.44	49,179.94	66,590.13	12,356.61	7,112.02	54,245.00	73,713.63
23	UTTARAKHAND	926.33	440.50	6,337.59	7,704.42	1,072.11	448.13	7,312.13	8,832.37	811.21	429.52	7,980.18	9,220.91
24	UTTAR PRADESH	9,667.22	25,001.17	82,186.09	1,16,854.48	10,487.75	28,974.36	85,338.51	1,24,800.62	80,184.26	32,381.85	92,734.89	2,05,301.00
	Central Region Total	25,503.90	33,094.62	1,39,733.49	1,98,332.00	25,753.93	37,398.58	1,48,425.98	2,11,578.50	95,497.64	41,085.94	1,64,180.81	3,00,764.40
25	GOA	88.91	-	892.88	981.79	70.75	-	832.89	903.63	73.57	-	1,462.41	1,535.99
26	GUJARAT	11,373.20	2,722.80	38,896.93	52,992.92	10,905.35	3,409.55	47,311.82	61,626.72	11,807.61	4,124.69	54,643.12	70,575.42
27	MAHARASHTRA	23,091.07	3,461.32	1,62,564.97	1,89,117.36	24,725.40	4,149.23	1,34,572.01	1,63,446.64	27,625.80	4,925.09	1,36,598.42	1,69,149.31
28	D & N HAVELI UT	-	-	52.18	52.18	-	-	61.04	61.04	-	-	58.35	58.35
29	DAMAN & DIU UT	-	-	33.91	33.91	-	-	20.10	20.10	-	-	20.08	20.08
	Western Region Total	34,553.18	6,184.11	2,02,440.87	2,43,178.17	35,701.50	7,558.79	1,82,797.85	2,26,058.14	39,506.99	9,049.77	1,92,782.37	2,41,339.14
30	ANDHRA PRADESH	6,065.72	11,200.62	80,069.44	97,335.78	7,144.96	13,330.49	81,385.03	1,01,860.48	8,063.88	16,073.49	87,185.24	1,11,322.61
31	TELANGANA	3,189.11	5,648.07	32,766.23	41,603.41	3,713.91	7,224.80	39,207.90	50,146.61	4,048.55	8,394.49	49,814.49	62,257.52
32	KARNATAKA	11,336.29	13,486.46	67,521.98	92,344.73	12,564.34	16,129.67	98,684.66	1,27,378.67	14,636.50	19,038.88	88,465.63	1,22,141.01

33	KERALA	4,745.26	6,102.41	53,024.34	63,872.02	14,098.29	7,002.84	39,502.51	60,603.64	7,162.58	8,402.19	53,647.66	69,212.43
34	PUDUCHERRY	14.07	264.85	1,425.38	1,704.31	14.21	320.06	1,567.73	1,902.01	3.33	392.04	1,846.83	2,242.21
35	TAMILNADU	6,054.80	4,289.55	1,15,694.43	1,26,038.78	6,912.83	4,842.83	1,22,502.15	1,34,257.80	5,236.46	6,160.33	1,31,534.62	1,42,931.42
36	LAKSHADWEEP UT	-	-	1,727.12	1,727.12	-	-	38.76	38.76	-	-	6.33	6.33
	Southern Region Total	31,405.26	40,991.95	3,52,228.93	4,24,626.14	44,448.54	48,850.69	3,82,888.74	4,76,187.96	39,151.29	58,461.43	4,12,500.81	5,10,113.53
	GRAND TOTAL	1,54,286.62	1,12,603.55	9,18,935.52	11,85,825.69	1,56,120.97	1,33,401.06	9,69,622.42	12,59,144.45	2,26,697.77	1,53,416.12	10,56,685.59	14,36,799.48

Source:
NABARD