

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

LOK SABHA
UNSTARRED QUESTION NO.1104
TO BE ANSWERED ON THE 24TH JULY, 2018

WAIVING OFF AGRICULTURAL LOAN

1104. SHRI ANTO ANTONY:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ऋषोऱसूँओँ एवं किसान कल्याण ½ँँँँँ be pleased to state:

- (a) whether the Government has any plan to waive off agricultural loans and if so, the details thereof;
- (b) whether the Government has received any request in this regard from any quarter;
- (c) if so, whether the Government has noticed that various State Governments have already waived off agricultural loans amounting to several crores and if so, the details thereof;
- (d) whether the Government has any details regarding the number of farmers benefited and expenditure incurred by the Government on waiving off agricultural loans in the recent past; and
- (e) if so, the details thereof, State-wise?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

ऋषोऱसूँओँ एवं किसान कल्याण ½ँँँँँ ½ँँँँँ ½ँँँँँ ½ँँँँँ (SHRI PARSHOTTAM RUPALA)

(a): The Union Government, at present, is not considering any loan waiver Scheme for farmers, as such, waivers may impact the credit culture of a State by incentivising the defaulters, even if they are in a position to repay the loan, and thus, create/amplify the moral hazard by discouraging those borrowers who have been regular in repaying their loans. Further, each waiver granted makes it even more difficult to reject any future similar demand.

(b) to (e): Yes, Madam. Reportedly, various State Governments including Tamil Nadu, Maharashtra, Karnataka, Uttar Pradesh, Jammu & Kashmir, Punjab, Chhattisgarh, Andhra Pradesh, Telangana and Union Territory (UT) of Puducherry have in the recent past announced their own farm loan/debt waiver Schemes to extend relief to the needy farmers. The details of debt/loan waiver announced by these States/UT is given at **Annexure**.

ANNEXURE

Loan Waivers announced by various States

Details of States/UTs which have announced Farm Loan Waivers in recent past:

SN	Name of State	Details
1.	Tamil Nadu	Government of Tamil Nadu had announced waiver of loans outstanding vide GO No.50 dated 23 May 2016. Outstanding Crop Loan, MT-Agri & LT (Farm Sector) loans issued to Small & Marginal Farmers by the Cooperative Banks as on 31 March 2016 were waived. Rs.5318.75 crore were waived in respect of 1202075 farmers.
2.	Maharashtra	The Maharashtra Government announced Debt waiver for farmers vide GR dated 28.06.2017 covering 31 lakh farmers with amount of debt waiver of Rs. 30,500 crore.
3.	Karnataka	Karnataka government vide Govt. order No CO313 CLS 2017 dated 23 June 2017 announced waiver of farm loans of up to ₹50,000 taken from State-run Cooperative Institutions covering 22 lakh farmers with amount of debt waiver of Rs. 8,165 crore.
4.	Uttar Pradesh	Government of Uttar Pradesh on April 4, 2017 announced a Rs. 30,729 crore scheme waiving crop loans up to Rs.1.00 lakh for Small and Marginal Farmers. In addition to this, Rs.5,630 crore was allocated for writing off bad loans of around seven lakh farmers, which had become NPAs for banks. This takes the total amount allocated for loan relief to Rs.36,359 crore. The Chief Secretary, Govt. of UP, vide DO letter dated 24 May 2017 had issued a letter to CMD/CEO of all Scheduled Commercial banks informing State Govt.'s decision to implement a scheme for redemption of crop loan debt of Small and marginal Farmers of the state.
5.	Jammu Kashmir	Jammu & Kashmir Government declared Debt Waiver scheme under KCC vide Govt order no. 16-F of 2017 dated 23-01-2017. KCC loans upto Rs. 1 lakh were given 50% waiver in a phased manner. Total amount waived was Rs.244 crore for 1.15 lakh farmers.
6.	Punjab	The Punjab Government announced Debt waiver for farmers vide Notification No. 8/259/17-Agri/2(10)/19235 dated 17.10.2017 covering 10 lakh farmers with amount of debt waiver to the tune of Rs.10,000 crore.
7.	Chhattisgarh	Chhattisgarh Govt. announced Debt relief/waiver vide its notification no. 2838/2015/02-15/30-15F dated 26 December, 2015. 25% of debt waiver was provided for, amounting to Rs. 129.76 crore for 189379 farmers.
8.	Union Territory of Puducherry	The Union Territory of Puducherry vide G.O. Ms.10/Coop. dated 12/01/2018 announced the agriculture loan waiver Scheme 2016-17 covering loans of all agricultural and allied activities availed through Cooperative structure as on 31.03.2016.
9.	Andhra Pradesh	Andhra Pradesh Government announced Waiver of Agriculture crop loan to farmers vide GO Ms.No.164 dated 02.08.2014
10.	Telangana	The Telangana Government announced Debt waiver for farmers vide GO RT No.69 dated 13.08.2014