

Government of India
Ministry of Finance
Department of Financial Services

LOK SABHA
Starred Question No. †*300
To be answered on August 05, 2016/Shravana 14, 1938 (Saka)
Farm Loans

†*300. SHRI SANTOSH KUMAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has granted concessions on recovery of farm loans during the last five years, State-wise;
- (b) the number of farmers benefited thereunder;
- (c) the details of the recoverable loans from farmers who own five or more acres of land during the above period; and
- (d) the corrective steps taken/being taken by the Government in this regard?

Answer
The Minister of Finance
(Shri Arun Jaitley)

(a) to (d): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. *300 to be answered on 5th August, 2016 regarding Farm Loans

(a) to (d): In order to reduce the debt burden of farmers and mitigate their hardships, the following major steps have been taken by the Government:

- With a view to ensuring availability of agriculture credit at a reduced interest rate of 7% p.a. to farmers, the Government of India in the Department of Agriculture, Cooperation & Farmers' Welfare implements an interest subvention scheme for short term crop loans up to Rs. 3.00 lakh. Under the said scheme, additional subvention of 3% is given to those farmers who repay their short term crop loan in time, thereby reducing the effective rate of interest to 4% p.a. for such farmers. The details of amount released under Interest Subvention Scheme during the last five years are as under:

(Rs. in crore)

Year	2011-12	2012-13	2013-14	2014-15	2015-16
Release	3,282.70	5,400	6,000	6,000	13,000

- Loan to distressed farmers indebted to non-institutional lenders is an eligible category of farm credit under the Priority Sector Lending (PSL) as per directions issued by Reserve Bank of India (RBI).
- To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks.
- RBI has conveyed to Banks to waive margin/security requirements of agricultural loans upto Rs.1,00,000/-.

National Bank for Agriculture & Rural Development (NABARD) has reported that the outstanding / recoverable agricultural loans (crop loans and term loans) in respect of other farmers, i.e. farmers cultivating more than 5 acres of land are at Rs.10,49,35,643 lakh as on 30 April 2016.
