

Write off of farmers loans

4400. DR. K. V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government has seen the growing demand to write off farmers loans; and

(b) if so, whether Government will consider the demand positively?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) There is no proposal under consideration of the Union Government to waive off loans of farmers of the country. However, to reduce the debt burden of farmers, the following major initiatives have been taken:—

- 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 and Farmers' Welfare implements an interest subvention scheme for short term crop loans up to ₹ 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.
- RBI 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.

Stand-up India programme under MSME sector

4401. SHRIMATI RANEE NARAH: Will the Minister of FINANCE be pleased to state:

(a) the main objectives of "Stand up India" programme under MSME sector; and