

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE (SHRI S.S. AHLUWALIA): Yes, Sir. As per the Provisional estimates of Annual National Income, 2016-17 and Quarterly estimates of GDP for the fourth Quarter (Q4) of 2016-17 released by Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoS&PI), the growth rate of Gross Value Added for Agriculture, forestry and fishing sector at constant (2011-12 prices), for the third and fourth quarter of 2016-17 are 6.9 and 5.2 per cent respectively.

#### Waiving of farm loans

677. SHRI KAPIL SIBAL: Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether it is a fact that it is Government's policy not to waive off farm loans, if so, the reasons therefor;
- (b) the details of outstanding loans to farmers, State/UT-wise; and
- (c) whether it is also a fact that Government had promised to provide MSP plus 50 per cent price for their produces to the farmer, if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE (SHRI PARSHOTTAM RUPALA): (a) and (b) There is no proposal under consideration of the Union Government to waive off farm loans of farmers. However, to reduce the debt burden of farmers, the following major initiatives have been undertaken:

- With a view to ensure availability of agriculture credit at a reduced interest rate of 7% p.a. to farmers, the Government of India is implementing Interest Subvention Scheme for short term crop loans up to ₹ 3.00 lakh. Under the said scheme, additional subvention of 3% is provided 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.
- Reserve Bank of India (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.

Reserve Bank of India has taken up the matter relating to adverse impact of loan waiver on the banking sector from time to time since August, 2014 with the concerned authorities. As reported by RBI, the empirical evidence suggests that loan waiver vitiates the credit culture and recovery climate and also impacts the financial soundness of the banks besides affecting fiscal position.

State/Union Territory-wise agriculture loan outstanding data for all agencies (Commercial, Cooperative and Regional Rural Banks)

*(No. of Accounts in lakh and Amount in ₹ Crore)*

*(As on 31.03.2017)*

Sl. No.	State/UT	Total Loan	
		No. of Accounts	Amount
1	2	3	4
1.	Delhi	0.36	13137.61
2.	Haryana	28.88	56473.57
3.	Himachal Pradesh	4.92	7336.61
4.	Jammu and Kashmir	4.89	6622.86
5.	Punjab	28.57	83769.91
6.	Rajasthan	58.94	91431.84
7.	Chandigarh	0.10	2493.66
<b>NORTHERN REGION TOTAL</b>		<b>126.64</b>	<b>261266.07</b>
8.	Arunachal Pradesh	0.22	265.60
9.	Assam	20.29	10860.65
10.	Manipur	0.52	432.04
11.	Meghalaya	1.25	830.92

1	2	3	4
12.	Mizoram	0.40	325.71
13.	Nagaland	0.57	387.36
14.	Sikkim	0.21	193.00
15.	Tripura	6.28	2356.64
<b>NORTH EASTERN REGION TOTAL</b>		29.74	15651.92
16.	Andaman and Nicobar Island	0.19	147.98
17.	Bihar	64.36	34894.03
18.	Jharkhand	14.98	7306.58
19.	Odisha	58.46	26853.23
20.	West Bengal	69.64	38462.61
<b>EASTERN REGION TOTAL</b>		207.64	107664.43
21.	Chhattisgarh	14.94	12528.87
22.	Madhya Pradesh	88.85	73713.63
23.	Uttarakhand	6.75	9220.91
24.	Uttar Pradesh	140.05	205301.00
<b>CENTRAL REGION TOTAL</b>		250.59	300764.40
25.	Goa	0.58	1535.99
26.	Gujarat	36.86	70575.42
27.	Maharashtra	100.91	169149.31
28.	Dadra and Nagar Haveli	0.03	58.35
29.	Daman and Diu	0.01	20.08
<b>WESTERN REGION TOTAL</b>		138.39	241339.14
30.	Andhra Pradesh	99.11	111322.61
31.	Telangana	57.49	62257.52
32.	Karnataka	82.08	122141.01
33.	Kerala	63.82	69212.43
34.	Puducherry	2.50	2242.21

1	2	3	4
35.	Tamil Nadu	151.61	142931.42
36.	Lakshadweep	0.01	6.33
<b>SOUTHERN REGION TOTAL</b>		456.62	510113.53
<b>GRAND TOTAL</b>		1209.62	1436799.48

*Source:* Data submitted by concerned banks in the ENSURE portal of NABARD.

(c) The National Commission on Farmers under the Chairmanship of Prof. M. S. Swaminathan had recommended that the Minimum Support Price (MSP) should be at least 50% more than the weighted average cost of production. This recommendation was not accepted by the Government in the year 2007. Further, the MSP is recommended by the Commission for Agricultural Costs and Prices (CACP) based on objective criteria and considering variety of relevant factors that includes cost of cultivation. Government has been fortifying MSPs year after year based on recommendations of CACP.

#### **Norms for tackling drought**

678. DR. VIKAS MAHATME: Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether it is a fact that Government has prevailed upon the States to follow the accepted norms and guidelines for tackling the drought situation, if so, the details thereof; and

(b) the names of States which have formulated and executed the famine code?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE (SHRI S. S. AHLUWALIA): (a) and (b) The Ministry of Home Affairs on 08.04.2015 revised items and norms for availing financial assistance from State Disaster Response Fund (SDRF) and National Disaster Response Fund (NDRF) for all natural calamities including drought, for the 5-year period from 2015-16 to 2019-20. The Memorandum submitted by the State Governments are being examined in the context of these norms. Meanwhile, the Manual for Drought Management has been revised/ updated in December, 2016. The revised Manual for Drought Management suggests a system for drought management policy and programmes to be followed by the Government of India and the State Governments. It focuses on the general / common elements of drought management at the national level, while allowing the States to