

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**2.90 CRORE FARMERS PROVIDED DEBT WAIVER & DEBT RELIEF UNDER
AGRICULTURAL DEBT WAIVER AND DEBT RELIEF SCHEME (ADWDRS),
2008**

**New Delhi, Sharavana 11, 1933
August 02, 2011**

In response to a Question in Rajya Sabha today by Shri Motilal Vora, Member of Parliament (MP) regarding provision of loan facility under “Swabhimaan” campaign, the Union Minister for Finance Shri Pranab Mukherjee made the following statement:

“ In 2010-11 Banks were advised to provide appropriate banking facilities to habitations having population in excess of 2000 by March 2012. The Banks have identified about 73,000 such habitations for providing banking facilities using appropriate technologies under this programme named “Swabhimaan”. A multi-media campaign has been launched to inform, educate and motivates people to open bank accounts. As per information received from Banks, 29,569 villages have been covered with banking facilities in the year 2010-11 and the remaining villages will be covered in 2011-12.

Since 2006-07, the Government of India has been subsidized short term crop loans to farmers in order to ensure the availability of crop loans to farmers up to Rs.3.00 lakh, at 7% p.a. This interest Subvention Scheme has been proposed to be continued in 2011-12 for Public Service Banks, Regional Rural Banks and Cooperative Banks. This year an additional subvention of 3% will be provided to the farmers, who repay on time. Thus, the effective rate of interest for such farmers will be 4% per annum in the year 2011-12. This scheme is equally available to the small/marginal farmers who take loan through these new banking channels.

The Government of India has implemented Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008. Under the Scheme, the entire ‘eligible amount’ in case of small or marginal farmers (cultivating up to 2 hectares or 5 acres of land) was waived. The debt waiver portion of the Scheme was closed on 30.6.2008. In the case of ‘other farmers’ (cultivating more than 2 hectares or 5 acres of land), there was a One Time Settlement (OTS) Scheme under which these farmers were to be given a debt relief by way of rebate of 25 per cent of the ‘eligible amount’ subject to the condition that the farmer pays

the balance of 75 per cent of the eligible amount'. The Government had extended the last date for the OTS for 'other farmers' up to 30.6.2010.

So far 2.90 crore farmers have been provided debt waiver & debt relief under the Scheme. The Government of India has so far released an amount of Rs. 51,340.47 crore to the lending institutions as reimbursement under the Agricultural Debt Waiver and Debt Relief Scheme, 2008. The farmers who availed relief under this Scheme are eligible for taking fresh loan."

DSM/PM