

[English]

Loans to Farmers

3795 DR. AMRITLAI KALIDAS }  
 PATEL } Will  
 SHRI V SOBHANADRE }  
 ESWARA RAO }

the MINISTER OF FINANCE be pleased to state

(a) whether the policy of advancing loans by the agricultural banks has been simplified by the Government

(b) if so the details thereof

(c) the maximum credit limit of the loans to the farmers which has been provided for the agricultural purposes during the last year

(d) whether the public sector banks have achieved the agricultural credit target as stipulated by the Reserve Bank of India during the above period

(e) if so the details thereof and

(f) if not the reasons therefor and the action taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) (a) and (b) All Indian banks including public sector banks are required to extend direct finance to agriculture (including allied activities) to the extent of 18% of their total credit. Further in terms of Reserve Bank of India guidelines, it has been stipulated that all loan applications upto a credit limit of Rs 25 000 are to be disposed off within a fortnight and those for over Rs 25 000 within 8-9 weeks.

A number of steps have been taken with a view to increase flow of credit to farmers particularly small and marginal farmers. The important ones are

1 The interest on loans upto Rs 25 000 is kept low at 12.0%

2 Term loans are provided at concessional rates

3 In the case of crop loans availed of by small and marginal farmers interest charged is not to exceed the principal amount

4 In the case of crop failure, amount due should be re-scheduled over a period of 3-5 years and fresh loans should be given to farmers

5 No third-party guarantee or collateral security is to be insisted upon for loans upto Rs 10,000

6 There should be no compounding of interest on current dues in agricultural sector

7 Delegation of appropriate sanctioning powers to the Rural Branch Managers so that majority of loans applications are sanctioned at branch level itself

(c) The amount of credit depends upon the area cultivated by a farmer and the crops grown. Scales of finance are fixed for different crops by Technical Committee for each district and reviewed periodically to take care of escalation in cost

(d) to (f) Banks are required to grant atleast 18% of their total advances as direct finance to agriculture. As against the above target the achievement of public sector banks was 14% as at the end of March 1993. Government/RBI had taken up the matter with public sector banks advising them to improve the performance in this regard.

[Translation]

Per Capita Income

3796 SHRI DATTATRAYA BANDARU Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state

(a) the per capita income in the country

(b) whether the per capita income of India is less than the per capita income of other countries

(c) if so whether the per capita income is likely to increase in the country as a result of liberalised economic policy and

(d) the names of the State having maximum and minimum per capita income separately ?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI GIRIDHAR GOMANGO) (a) The per capita national income for the year 1991-92 has been estimated at Rs. 5529