

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1505
ANSWERED ON:03.03.2006
CREDIT TO ORAL TENANTS
Jha Shri Raghunath;Singh Shri Prabhunath

Will the Minister of FINANCE be pleased to state:

- (a) the progress made by the Government in providing credit for agricultural activities to oral tenants:
- (b) the quantum of credit given to oral tenants during the last three years, State- wise; and
- (c) the policy of the Government in providing credit for agricultural activities to oral tenants ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : Yes, Sir. A model scheme for providing credit to tenant farmers and oral lessees for raising crops by organizing them into Tenant Farmer Groups (TFGs) on the pattern of SHGs is being implemented. NABARD provides 100% refinance to co-operative banks and Regional Rural Banks(RRBs) eligible for short term seasonal agricultural operations credit limits at a rate of interest of 5.50% per annum for financing such groups. During the year 2005-06, NABARD has stipulated a minimum coverage of at least 2% of crop loan financing by RRBs and Co-operative Banks to tenant farmers and oral lessees. State-wise details of quantum of credit given to tenant farmers and oral lessees for the last three years is not available. However, new tenant farmers were disbursed an amount of Rs.524 crore during the period April 2004 to December 2005.