

GOVERNMENT OF TELANGANA
ABSTRACT

Agriculture and Cooperation Department – Guidelines for Crop Loan Waiver, 2018 –
Orders-Issued.

AGRICULTURE AND COOPERATION (AGRI.II) DEPARTMENT

G.O.Rt.No. 148

Dated: 17-03-2020.

Read the following:-

1. From the Commissioner of Agriculture, Hyderabad, Letter No.Credit/32/2019, dt.21.01.2020.
2. From the Commissioner of Agriculture, Hyderabad, Letter No.Credit/32/2019, dt.10.03.2020.

ORDER:-

In Telangana State about 60% of the Population resides in rural areas and their livelihood depends on Farming, Animal Husbandry, Dairy, Fisheries and other Agriculture related activities. The Agriculture & Allied sector contributes about 18% to the GSDP (2018-19 P.E). Majority of farmers in the state are Small & Marginal Farmers and the sector is prone to frequent droughts & other calamities resulting in distress among farming community. The recovery of the farm sector therefore becomes critical for revival of rural economy and therefore the state has adopted a strategy of large scale public investment and provide direct support to farmers through various interventions.

In this regard, taking plight of the farmers into consideration in the State, the Government while giving priority to Agriculture sector has waived off the outstanding crop loans of all the farmers in the State as on 31.03.2014.

In current dispensation, crop loans are usually sanctioned for a period of one year and rolled over at the end of the year on payment of interest. There are hardly a few fresh loans resulting in deprivation of cash inflow to farmers, thus forcing them to purchase high cost inputs on credit at a very high interest rates. The Government of Telangana is convinced that unless this cycle is broken with crop loan waiver, farmers will remain trapped in perpetual indebtedness. Keeping this imperative in view, the Government of Telangana has once again formulated the Crop Loan Waiver Scheme-2018 duly following the announcement made by Hon'ble Chief Minister in this regard. This scheme covers only institutional loans and does not cover loans from non-institutional sources.

Scope of the Crop Loan Waiver Scheme and Eligible Amount

This scheme will cover short term production loans and crop loans against gold disbursed to farmers in the Telangana State by scheduled Commercial Banks, Cooperative Credit Institutions (including Urban Cooperative Banks) and Regional Rural Banks collectively called as the "lending institutions".

Eligible amount :

Amount eligible for waiver will be upto Rs.1.00 lakh (principal together with applicable interest) per family. The farmer family is defined as head of family, spouse and dependent children. Eligible amount shall not include Processing charges, legal charges, Insurance, Inspection Charges etc.

Cut off date:

All crop loans sanctioned/ renewed on or after 01.04.2014 and outstanding as on 11.12.2018 are eligible.

The following loans/accounts shall not be eligible under the Crop Loan Waiver Scheme.

- a) Advances against pledge or hypothecation of agriculture produce other than standing crop
- b) Tie-up loans
- c) Closed crop loan accounts/Written-off loans
- d) Loans to JLGs/RMGs/LECs
- e) Restructured/Rescheduled Loans

Short term production loan means a loan given in connection with the raising of crops which is to be repaid within 18 months. It will include working capital loan, for traditional and non-traditional plantation and horticulture crops.

Implementation Guidelines:

A. Development of IT Portal:

An IT system /Portal must be developed by Commissioner of Agriculture for collection, processing of the data and finalization of beneficiaries outstanding and eligible amounts for extending the benefit of Crop Loan Waiver to the farmers

B. Process Flow:

a) Preparation of list of farmers with outstanding crop loan dues and arriving at the amount of claim

- i) Each lending institution (bank branch) which has disbursed short term crop loans to farmers shall prepare village-wise list of farmers with outstanding crop loan dues as on 11.12.2018 in the prescribed format in Annexure-A as appended to this order.
- ii) Each lending institution, shall also prepare a village-wise list of farmers who have outstanding dues as on 11.12.2018 in respect of crop loans taken against gold in the rural areas only in the prescribed format in Annexure-B as appended to this order.
- iii) Gold loans availed from Urban and Metropolitan Banks/Bank branches as crop loans shall not be eligible for waiver. However, loans availed from the urban/Metropolitan branches, which have rural areas also as their service areas are eligible for loan waiver.
- iv) The list of farmers in Annexure-A and Annexure-B should be compared by the Bank Branch Manager and a final list of farmers who have outstanding crop loan and limited to a maximum extent of Rs.1.00 lakh should be prepared by the Bank Branch Manager in the format designed in Annexure-C as appended to this order. One copy of Annexure-A, B, C each should be sent by the Bank Branch Manager to LDM and District Collector.
- v) Some of the farmers might have taken crop loans from more than one bank branch of same bank or another bank. Hence, for eliminating the duplication/multiple financing and restricting the benefit of loan waiver of Rs.1.00 lakh per farmer family, a Bankers' meeting at Mandal level will be convened by the JMLBC (Joint Mandal Level Bankers Committee) Convenor. At the JMLBC meeting all the Banks shall come with the lists of eligible farmers prepared in the proforma as in Annexure-A, B & C prescribed by the Government, and compare the list of farmers in Annexure- C with Annexure- C list of other bank branches in the mandal belonging to all the other banks (commercial, rural, cooperative). The Mandal Tahsildar will also check all names in Annexure- C of all banks in the mandal and will verify if there are any fake pattadar pass books and also if all loanees have farm lands. After this verification, any false claims will be deleted. Then the farmer family who have availed loans from more than one bank branch will be identified by the JMLBC members. Their details

will be recorded by the JMLBC in Annexure- D, as appended to this order. The Co-op. Dept. auditors under the supervision of District Co-op. Audit Officer shall cross verify the A, B, C with D list pertaining to PACs and DCCBs. The DCAO shall allot the auditors to Mandals under his jurisdiction under intimation to the District Collector and also district wise audit report copy must be furnished to the implementation authority. A senior officer not below the rank of Deputy Collector must be nominated by the District Collector as observer for this meeting. The Annexure-D thus prepared in JMLBC will be shared by all bank branches at the mandal level.

- vi) The Annexure-C furnished by the Bank branches will be scrutinized in the IT portal based on the available databases for establishing the farmer family and multiple loans availed and finally arrive at the Annexure-D (Scrutiny sheet).
- vii) The Annexure-D (Scrutiny sheet) thus arrived in the IT portal will be circulated to the concerned Bank Branches for comparing the same with their Annexure-D being finalized in the JMLBC meetings for preparing Annexure-E as appended to this order.
- viii) If a farmer family has multiple accounts but overall outstanding for crop loan is less than Rs.1.00 lakh, then their names will not be deleted. In case outstanding crop loan is more than Rs.1.00 lakh, then the waiver amount upto eligible amount (Rs.1.00 Lakh) would be proportionately distributed among the family members and also proportionately distributed among the banks irrespective of date of sanction. Annexure-E will be the final list of farmers bank branch wise who will be eligible for loan waiver. This will be prepared by bank branch manager concerned.
- ix) The AEO, VRO, Panchayath Secretary of the Village concerned under the supervision of the Mandal Team comprising of Tahsildhar, MAO and MPDO concerned shall establish the family (as head of the family, spouse and dependent children). The genuineness of farmer shall be established by the above team.
- x) Annexure-E (Tentative) will be exhibited in the villages concerned and social audit will be conducted by a team consisting of MPDO, Tahsildar, Assistant Registrar (SDLCO)/SI. & Branch Manager or his representative by conducting Gram Sabha. After conduct of social audit and finalization of all objections received by Mandal Team (Comprising of MPDO, MAO and Tahsildhar), the final list of farmers bank branch wise will be prepared by the Bank Manager in Annexure-E (final). The final list shall be sent to the LDM and the District Collector concerned in Annexure-E.
- xi) A District Level Bankers meeting will be convened (DCC) by the LDM and district details of loan waiver bank wise, farmer wise will be recorded and sent to SLBC in Annexure-E and upload the same through IT Portal. SLBC will intimate the Commissioner of Agriculture Bank wise, Branch wise, Village wise farmers' eligible amounts in Annexure-E for release of amount by the Government.

b) Schedule of Loan waiver :

1. In respect of those farmers who have outstanding loan upto Rs.25,000/- only will be waived off in the 1st Phase.
2. For other farmers, the eligible loan amount (upto Rs.1.00 lakh) shall be waived off in four instalments.

c) Liability of lending institutions for false claims:

Every lending institution shall be responsible for the correctness and integrity of the information furnished (Annexure-A, B, C, D and E) and eligibility of the farmers under the scheme.

C) Claim reimbursement by the Government:

- i. The final list shall be consolidated village-wise and district- wise by convening a meeting of the District Level Bankers' Committee. After consolidating all such lists from the districts, it will be submitted to the the SLBC which inturn will raise a claim to the Commissioner of Agriculture/ Government and will be reimbursed to the Farmer through Account Payee Cheques.
- ii. The Acquittance based on final Annexure-E will be downloaded and printed from the Portal in the Districts and obtain the farmers Signatures on the Acquittance in duplicate by the Agriculture Department, after handing over Cheque / Cheques.
- iii. An undertaking should be taken by the Agriculture Department from the farmer during the disbursement, that he/she shall repay the amount of waiver if it is found subsequently that he/she has fraudulently obtained the crop loan or is found not eligible for crop loan waiver under the Scheme.

D) Audit

After the completion of procedures, the auditors of the Cooperation Department shall take up the audit of Primary Agricultural Cooperative Societies to ensure accuracy of the waiver amounts and shall submit the audit report to the Chief Auditor and implementing Authority. The books of accounts of every lending institution that has been granted crop loan waiver shall be subject to an audit in accordance with the usual procedure prescribed by RBI / NABARD. The audit may be conducted by concurrent auditors, statutory auditors or special auditors.

Obligations of lending institutions

Every lending institution shall be responsible for the correctness and integrity of the list of farmers eligible under the scheme and the particulars of crop loan waiver in respect of each farmer. Every document maintained, every list prepared for the purpose of the scheme shall bear the signature of an authorised officer of the lending institution.

Monitoring and Grievance Redressal

There will also be a suitable monitoring and grievance redressal mechanism established at Mandal, District and State levels in the Portal and every representation has to be disposed off within 30 days by authorities concerned duly informing the same to the Applicant.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

DR B.JANARDHAN REDDY
APC & SECRETARY TO GOVERNMENT

To
The Commissioner of Agriculture, Telangana State, Hyderabad.
Copy to:-
The Accountant General, Telangana, Hyderabad.
The Pay and Accounts Officer, Telangana, Hyderabad.
The Principal Secretary to Hon'ble Chief Minister.
The P.S. to Hon'ble Minister for Finance.
The P.A. / OSD to Hon'ble Minister for Agriculture.
The P.S. to Chief Secretary to Government.
The P.S. to Principal Finance Secretary to Government.
The P.S. to APC & Secretary to Government (A&C).
The Finance (EBS-II) Department.
SF/Scs

//FORWARDED BY ORDER//

SECTION OFFICER

**Annexure – A
Crop Loan**

Sl. No	Farmer Name	Father/Husband Name	Caste SC/ST/B C	Customer ID	Aadhaar number of the farmer				Mobile No.	PPB No/Khata No.
1	2	3	4	5	6				7	8
Survey No/Nos	Total Extent in Acres	Ration Card No. (if available)	Gender	Village	Name of the Mandal				District	Loan A/c No
9	10	11	12	13	14				15	16
Name of the Bank	Name of the Branch	IFSC code	Date of Sanction of Crop Loan	Crop	Limit Sanctioned	Crop Loan amount outstanding as on 11.12.2018				Eligible amount (Limited to maximum of Rs.1.00 lakh)
						Prin cipal	Inter est	Other charges	Total	
17	18	19	20	21	22	23	24	25	26	27

**Annexure –B
Crop Loan against Gold**

Sl. No	Farmer Name	Father/Husband Name	Caste SC/ST/B C	Customer ID	Aadhaar number of the farmer				Mobile No.	PPB No/Khata No.
1	2	3	4	5	6				7	8
Survey No/Nos	Total Extent in Acres	Ration Card No. (if available)	Gender	Village	Name of the Mandal				District	Loan A/c No
9	10	11	12	13	14				15	16
Name of the Bank	Name of the Branch	IFSC code	Date of Sanction of Crop Loan against Loan	Crop	Limit Sanctioned	Crop Loan against Gold outstanding amount as on 11.12.2018				Eligible amount (Limited to maximum of Rs.1.00 lakh)
						Prin cipal	Inter est	Other charges	Total	
17	18	19	20	21	22	23	24	25	26	27

**Annexure –C
Crop Loan + Crop Loan against Gold**

Sl. No	Farm er Name	Father/ Husband Name	Caste SC/ST/B C	Custom er ID	Aadhaar number of the farmer				Mobil e No.	PPB No/Khata No.	
1	2	3	4	5	6				7	8	
Survey No/Nos	Total Extent in Acres	Ration Card No. (if available)	Gender	Village	Name of the Mandal				Distri ct	Loan A/c No	
9	10	11	12	13	14				15	16	
Name of the Bank	Name of the Branch	IFSC code	Date of Sanction of Crop Loan	Date of Sanction of Crop Loan against Gold	Crop	Limit Sanctioned	Crop Loan +Crop Loan against Gold amount outstanding as on 11.12.2018 (in Rs.)				Eligible amount (Limited to maximum of Rs.1.00 lakh)
							Princip al	Inter est	Other charges	Total	
17	18	19	20	20 A	21	22	23	24	25	26	27

Arranging Farmer Names in Alphabetical order for each Village facilitates comparison among the bank branches easily

Annexure –D

List of farmers who have crop loan / Crop Loan against Gold in more than one bank branch

Sl. No.	Farmer Name	Father / Husband Name	Aadhaar Number of the farmer	Village	Mandal	District	Name of the Bank branch	Bank Branch wise Loan A/c No.		Bank branch wise Crop Loan (in Rs.) with Interest	Bank branch wise Crop Loan against Gold (in Rs.) with Interest	Total outstanding amount (11+12)	Eligible amount Total Crop Loan + Crop Loan against Gold (in Rs.) bank branch wise
								Crop Loan	Crop Loan against Gold				
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Names & Signatures of JMLBC Members

1. JMLBC Convenor
2. Bank Managers concerned
3. Tahsildar
4. MPDO
5. Mandal Agriculture Officer.

Annexure – E

**(Bank Branch wise Village wise)
Final Annexure**

Sl. No	Farmer Name	Father/Husband Name	Aadhaar Number of the farmer	Village	Mandal	District	Name of the Bank branch	Loan A/c No.	Crop Loan Amount	Crop Loan against Gold Amount	Total Crop Loan + Crop Loan against Gold	Eligible Amount Crop Loan + Crop Loan against Gold limited to Rs. 1.00 lakh
1	2	3	4	5	6	7	8	9	10	11	12	13

Signature of the Bank Manager

Name:

Branch:

Mandal:

District: