

'Farm loan-waiver process completed'

The state-run banks have completed the process of waiving loans of about 40 million farmers, a senior finance ministry official said here Monday.

"The banks have met the deadline of June 30. They have put out the list of eligible beneficiaries, and certificates of loan waiver are being issued," said the official who did not wish to be identified.

He said the feedback from the public sector banks suggested that the process was smoothly completed, and beneficiaries were being simultaneously issued the certificates.

"Under the centre's loan waiver scheme, there were around 400,000 beneficiaries from our bank. The list has already been displayed, and certificates are being issued," Punjab National Bank general manager Govind Banerjee told IANS.

"We are constantly in touch with the branches. Every possible effort has been made to ensure that no eligible farmer suffers any loss of time in getting fresh loans," added Banerjee, who oversees the loan-waiver scheme for his bank.

Finance Minister P. Chidambaram said June 16 in Bangalore that the state-run banks would waive off farm loans by June 30, as outlined in his budget speech Feb 29.

'Yes, they (banks) will implement the farm loan waiver scheme by this month-end. The process is on. The scheme is under implementation by the public sector, regional rural and cooperative banks. The beneficiaries have been identified,' Chidambaram said.

In his budget speech, the finance minister set June 30 deadline for writing off bank loans to small and marginal farmers with land holdings up to three hectares.

In May, the size of the scheme was increased to Rs.716.8 billion (\$17 billion) from the Rs.600 billion set initially. The waiver will enable beneficiaries to get fresh loans for the kharif crop.

Chidambaram Saturday in Delhi asked the heads of state-run banks to complete the process by June 30 so that farmers could get fresh loans. The banks have appointed nodal officers for smoothly implementing the scheme.

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