

Scheme For Redemption of Debts of Farmers From Non-Institutional Sources

(Updated till 30.04.2022)

Purpose	To provide relief and to remove the debt burden of identified acutely distressed farmers who are under burden of debt from non-institutional sources (eg. Money lenders) by providing them loan for debt redemption.
Eligibility	Individual farmers who have raised loans from non-institutional sources.
Quantum of Loan/Ceiling	<p>i. Term Loan upto the extent of indebtedness of the farmer to noninstitutional sources can be considered provided it is within 150% of Gross annual income of the farmer from all sources, subject to a maximum of Rs.50,000/-.</p> <p>ii. Cost of title investigation, mortgage, etc, if any, will also be included for arriving at the loan limit.</p> <p>iii. Loan would be sanctioned only if it is sufficient to clear the entire dues outstanding from non-institutional sources.</p>
Margin	Nil
Security	<p>Clean Advance; Co obligation of spouse/adult children of the borrower to be obtained so as to ensure family pressure in not reverting to non-institutional borrowings again;</p> <p>Mortgage of landed properties if the existing limits/liability & the</p>

	proposed loan exceeds Rs. 1.60 lakh
Repayment	Loan is to be repaid within 5 years in quarterly / half yearly / yearly instalments based on income generation of the farmer.