

Uttar Pradesh Government Crop Loan Redemption Scheme -2017

**for the Upliftment and Sustainable Development of
Small and Marginal Farmers**

Scheme

The government of Uttar Pradesh (GoUP) shall provide loan redemption of up to INR 1 lakh to individual small and marginal farmers whose Crop loan was disbursed by Lending Institution as on or before 31 March 2016.

For the purpose of calculating the loan redemption amount, the outstanding (including the accrued interest) as on March 31, 2016 would be reduced by the repayments/credits received from the farmer during Financial Year (FY) 2016 -17 (after 31st March 2016 till 31st March 2017) without taking into account the money withdrawn by the farmer or new sanctions during FY 2016-17.

Criteria for selection

- ✓ The farmer taking the loan, bank branch (through which the loan has been granted) and the farmer's owned land, all shall be in the state of Uttar Pradesh
- ✓ The total area of all the lands owned by the Small farmer would not exceed 2 hectares and by the marginal farmers would not exceed 1 hectare
- ✓ The farmer whose crop loans were restructured due to occurrence of natural calamities in accordance with the guidelines of the Reserve Bank of India (RBI) will be covered under this scheme.
- ✓ Crop loans taken by farmers for cultivation on government-leased land, as per the Revenue Records of government

Excluded Loans

- ✓ Crop loans availed by Self Help Groups (SHGs) and Joint Liability Groups (JLGs) Loans to farmers by companies or corporate guaranteed even though disbursed by lending institutions, other institutions like Trusts, Partnerships, Micro Finance Institutions (MFIs)/Urban Cooperative Banks (UCBs)
- ✓ Loans extended to sugar factories for onward lending to member farmers Term loans given for any purposes
- ✓ Loan or cash credit accounts given for fisheries or any kind of activities allied to agriculture
- ✓ Any loan (including crop loan) taken by particular farmer against the same piece of land, for the same purpose but from more than one bank would not be eligible for any redemption. However, if the farmer has availed the loan from multiple banks for multiple crops against the security of different agricultural lands, the redemption would be given on proportional basis, subject to a maximum aggregate of INR 1 lakh
- ✓ Cases where money withdrawn from the Kisan Credit Card (KCC) account has been misutilized or not used for crop purposes, but deposited in any term/ recurring deposit account

Non-Performing Assets (NPAs)

Crop loans of individual small and marginal farmers classified as NPAs by the lending institutions in line with the RBI norms would form part of the loan redemption scheme for NPAs.

Eligibility criteria for NPA

- ✓ In case of NPAs, loans prescribed under the scheme, disbursed up to 31st March 2016, would be taken into consideration
- ✓ Recovery charges while calculating the outstanding balance for NPA accounts will not be part of the eligible amount
- ✓ The redemption amount for NPA loans would be up to INR 1 lakh
- ✓ **A separate scheme for redemption of NPAs would be brought after negotiation with the Banks**

Role and Responsibilities of Stakeholders

Directorate of Institutional Finance (DIF)

- ✓ Would co-ordinate with all stakeholders of the scheme for the data collection from the lending institutions and subsequent record management.
- ✓ Would convene State Level Empowering Committee meetings to resolve the matters that are not explicitly mentioned in the scheme.
- ✓ Would provide the NIC with the scheme-related checks.
- ✓ Would provide funds for setting up the web portal (including all associated costs), the NIC control room at Yojna Bhawan and District NIC support infrastructure.

Role and Responsibilities of Stakeholders

National Informatics Centre (NIC)

- ✓ Will enable facilities and the information technology (IT) infrastructure for the successful implementation of the scheme.
- ✓ Will design and develop a web portal to provide access to various stakeholders for the purpose of scheme implementation.
- ✓ Will design, develop, and maintain the grievance redressal system, which will address the grievances of the farmers

Role and Responsibilities of Stakeholders

District Informatics Officer (DIO-NIC)

- ✓ DIO-NIC will be responsible for providing technical support
- ✓ He will provide training on portal to all district level officers related with this project
- ✓ He will help in resolving the technical issues of portal users
- ✓ He will assist DLC on technical issues as a member of committee
- ✓ Two resource persons and contingency fund shall be provided to him for smooth functioning of the scheme

Role and Responsibilities of Stakeholders

Lending Institutions

- ✓ Will ensure accuracy, integrity, and completeness of the audited crop Loan data
- ✓ Would actively participate in the appropriate awareness campaigns and drives to gather additional farmer details in a timely fashion.
- ✓ would participate in and assist the DLC in identifying the eligible farmers as per the loan redemption scheme criteria through their district coordinating officers
- ✓ would immediately adjust the farmer's crop loan account after receiving the loan redemption amount from the GoUP, as prescribed under the scheme and provide a "Statement of Redemption/ Information Letter" to such farmers.
- ✓ Would actively participate in the disposal of grievance of farmers.
- ✓ Would timely provide statement of credit (scroll) to the DLC.
- ✓ Will provide audited certificates (statutory auditor) to DLCs, regarding the correctness of eligible farmers and the amount credited to their identified crop loan accounts under the scheme.

Role and Responsibilities of Stakeholders

SLBC

- ✓ State Nodal Officers to check and validate the data on the portal
- ✓ Editing allowed from 27-06-2017 and will last 3-4 days
- ✓ They can modify existing data, add new records or delete existing records
- ✓ They will create branch master and validate activity codes
- ✓ All activity shall be logged
- ✓ Original data shall be kept in encrypted form before opening the portal for data editing
- ✓ After finishing the editing, data shall be locked and digitally signed by nodal officers

Role and Responsibilities of Stakeholders

District Level Bank Coordinators

- ✓ Each bank shall have one nodal officer to coordinate with DLC
- ✓ They shall be responsible for data entry of mobile and adhaar data and bhulekh mapping within the defined timelines
- ✓ They shall coordinate the distribution of assurance/acceptance certificates through bank branches
- ✓ They shall ensure the deposit of statement of credits by all branches within time

Role and Responsibilities of Stakeholders

Department of Agriculture

- ✓ Agriculture department will be the nodal department to implement the scheme
- ✓ Would monitor fund disbursement and its utilization
- ✓ Would coordinate with the DLC for organizing the appropriate awareness campaigns
- ✓ Will monitor redressal of grievances
- ✓ Will manage the budget made available through the Department of Finance and transfer it (as and when required) to the lending institutions
- ✓ Would report through a system of Management information system (MIS) to the GoUP
- ✓ Will be responsible for the appropriate audit of the scheme

Role and Responsibilities of Stakeholders

Revenue Department

- ✓ Revenue officials at the district level would be responsible for verifying details of small and marginal farmers and assisting the DLCs as deemed necessary
- ✓ Will update the physical verification reports online through the login and passwords provided.
- ✓ Assist Banks in bhulekh data mapping

Role and Responsibilities of Stakeholders

District Magistrate

- ✓ The District Magistrate would be Chairperson of the DLC.
- ✓ He would be responsible for the planning, execution and implementation of the scheme.
- ✓ DM will monitor the data entry/ mapping requirements on the portal
- ✓ Convene DLBC Meeting immediately to sensitize bankers
- ✓ Prepare District Plan for Aadhar Seeding
- ✓ Prepare comprehensive training Plan on portal for bank branch managers

Tentative timelines

- ✓ 30 June – State level bank nodal officers shall validate the data on portal
- ✓ 2 July – Director Institutional Finance forward data to Director agriculture
- ✓ 3 July – Director Agriculture forward data to districts
- ✓ 4 July – Portal is opened for Bank Branches for mobile, adhar update and bhulekh mapping
- ✓ 16-25 July – DLC to finalize the list of eligible farmers
- ✓ 26-29 July – DLC to raise demands for funds to director agriculture
- ✓ 30 July – Director Agriculture to transfer the funds
- ✓ 5 Aug – DLC to start certificates distribution

District Level Committee (DLC)

- ✓ District Magistrate - Chairperson
- ✓ Chief Development Officer (CDO) - Secretary
- ✓ District Agriculture Officer (DAO) - Co-Secretary
- ✓ Deputy Director Agriculture (DDA) - Member
- ✓ Additional District Magistrate (ADM) - Member
- ✓ Lead District Manager (LDM) - Member
- ✓ Assistant Registrar/Commissioner, Co-operative Societies - Member
- ✓ General Manager, Co-operative Bank - Member
- ✓ District Co-coordinators of all Bank - Member
- ✓ District Cane Officer (DCO) - Member
- ✓ District Horticulture Officer (DHO) - Member
- ✓ District Information Officer (DIO) - Member
- ✓ District Informatics Officer (DIO), NIC - Member
- ✓ District Economics & Statistics Officer - Member

Responsibilities of DLC

- ✓ The DLC would be involved in the monitoring of time-bound implementation of the scheme.
- ✓ The DLC would be involved in making decisions at the district level.
- ✓ The DLC will deliberate on the crop loan farmer data received from the Department of Agriculture to assess the eligibility of small and marginal farmers. The final list of farmers as decided by the DLC will be handed over to the Secretary and Co-Secretary of the Committee. The Co-Secretary will digitally sign the data and issue the required pay order to the lending institution.
- ✓ The DLC would deliberate on the farmer data as and when new farmer details are made available. The minutes of the Committee meetings would also be uploaded on the web portal for records purpose.
- ✓ The DLC would be responsible for establishing the category of farmers as per the definition mentioned in the scheme. Any decision related to this would also be taken by the DLC.
- ✓ According to the scheme devised by the State Government, the validation of the list of eligible farmers through the NIC portal and transfer of redemption amount to the farmers account would be the responsibility of the DLC.
- ✓ The DLC would be responsible for organizing the appropriate awareness campaigns and taking other publicity measures. DLC would be responsible for distribution of Statement of redemption (Appendix A) and information letter (Appendix B) to the farmers during the awareness campaign meetings.
- ✓ The DLC will be responsible for the verification of the farmers who have availed loan from multiple accounts for different crops against the security of different plots of lands, for which the redemption would be given on proportional basis, subject to a maximum aggregate of INR 1 lakh.

Mandal Level Committee (MLC)

- ✓ Divisional Commissioner - Chairperson
- ✓ Joint Development Commissioner - Secretary
- ✓ Joint Director Agriculture - Co-Secretary
- ✓ District Magistrate of Division - Member
- ✓ CDO of Division - Member
- ✓ Joint Registrar/Commissioner Cooperative Societies - Member
- ✓ Deputy Cane Commissioner - Member
- ✓ Deputy Director Information - Member
- ✓ Deputy Director Economics & Statistics - Member
- ✓ Controllers (Regional/ Zonal Managers) of banks operating in the districts of the division -Member

Responsibilities of MLC

- ✓ It would take decisions regarding farmers in the ineligible list as identified by the DLC.
- ✓ It would decide on the issues referred by the DLC, in accordance with the provisions of the scheme and extant Government orders. It would supervise the implementation and execution of the scheme in their respective division.
- ✓ It would communicate policy-related issues to the Empowered Committee at the state level.

State Level Empowered Committee

- ✓ Chief Secretary, GoUP - Chairperson
- ✓ Agricultural Production Commissioner - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of Finance, GoUP - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of Institutional Finance, GoUP - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of Agriculture, GoUP - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of Revenue, GoUP - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of Co-operatives, GoUP - Member
- ✓ Additional Chief Secretary / Principal Secretary, Department of IT and Electronics, GoUP - Member
- ✓ Convener, State Level Bankers Committee - Member

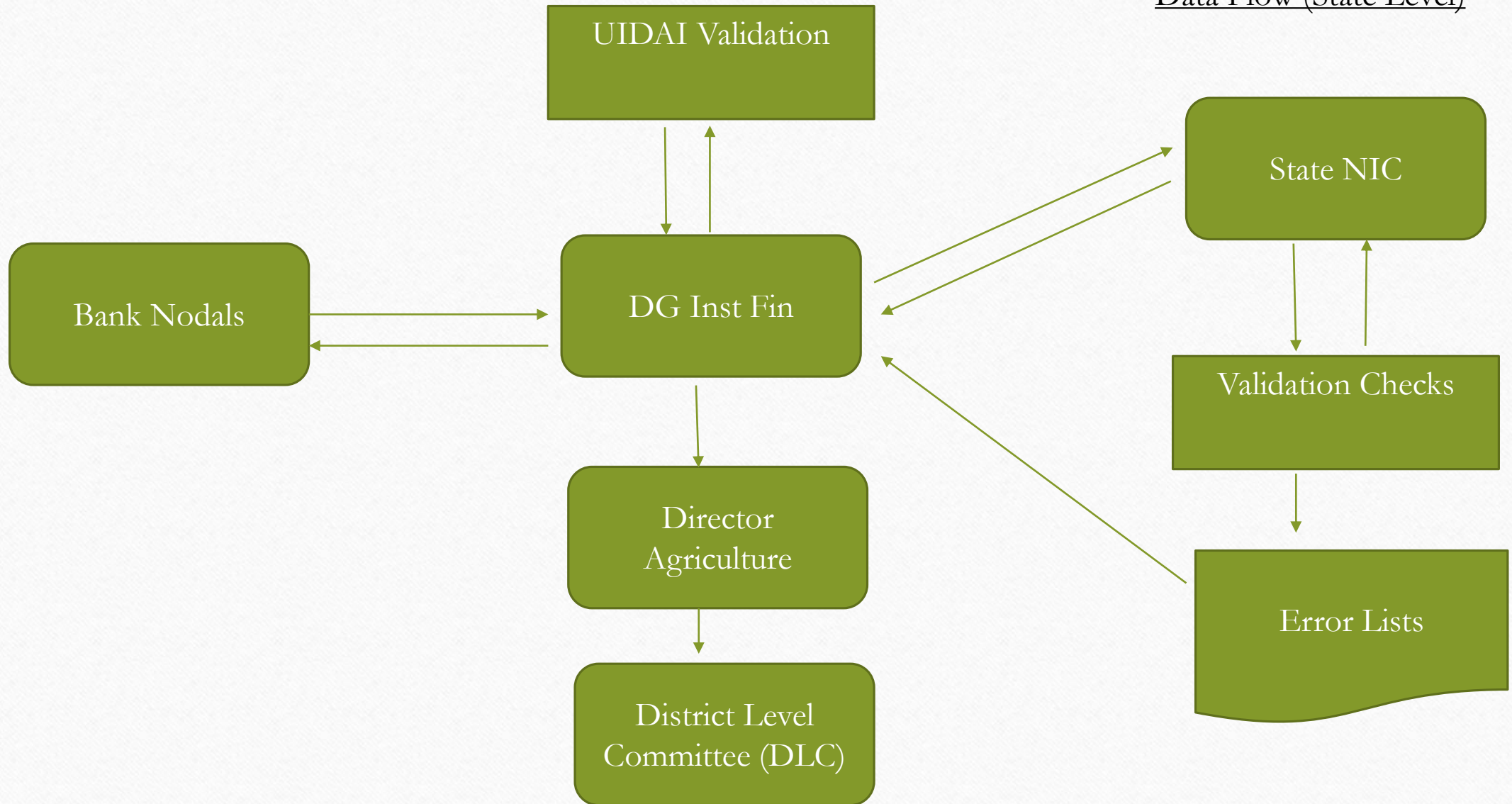
Grievance Redressal

- DLC will setup a control room at District Headquarter
- A section for grievance redressal shall be created on IGRS
- Farmers can submit applications online or through district control room
- Control room shall monitor the grievance redressals
- Farmers not satisfied with the disposal of DLC may appeal to MLC and send their representation. MLC shall decide such cases and direct the DLC accordingly.

Process Flow

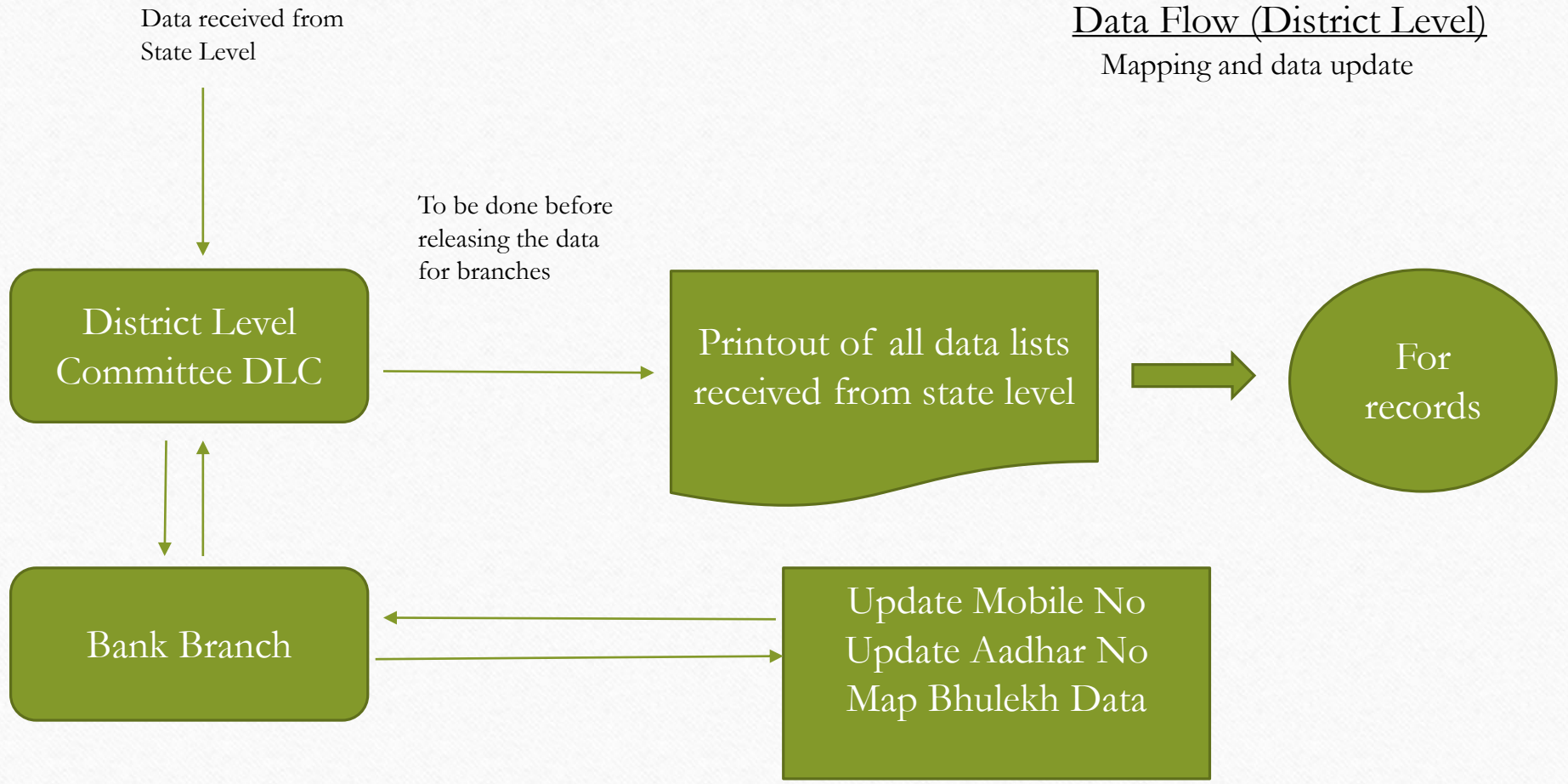
Data diagrams

Data Flow (State Level)



Data Flow (District Level)

Mapping and data update



Data Flow (District Level)

Field verification

After Data corrected/ Mapped by
Bank Branches

Disrict Level Committee
(DLC)

Run Validation checks

Validation Error Lists

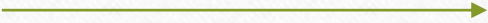
Update the lists after
field inspection reports

Agriculture Department

Submit verification reports

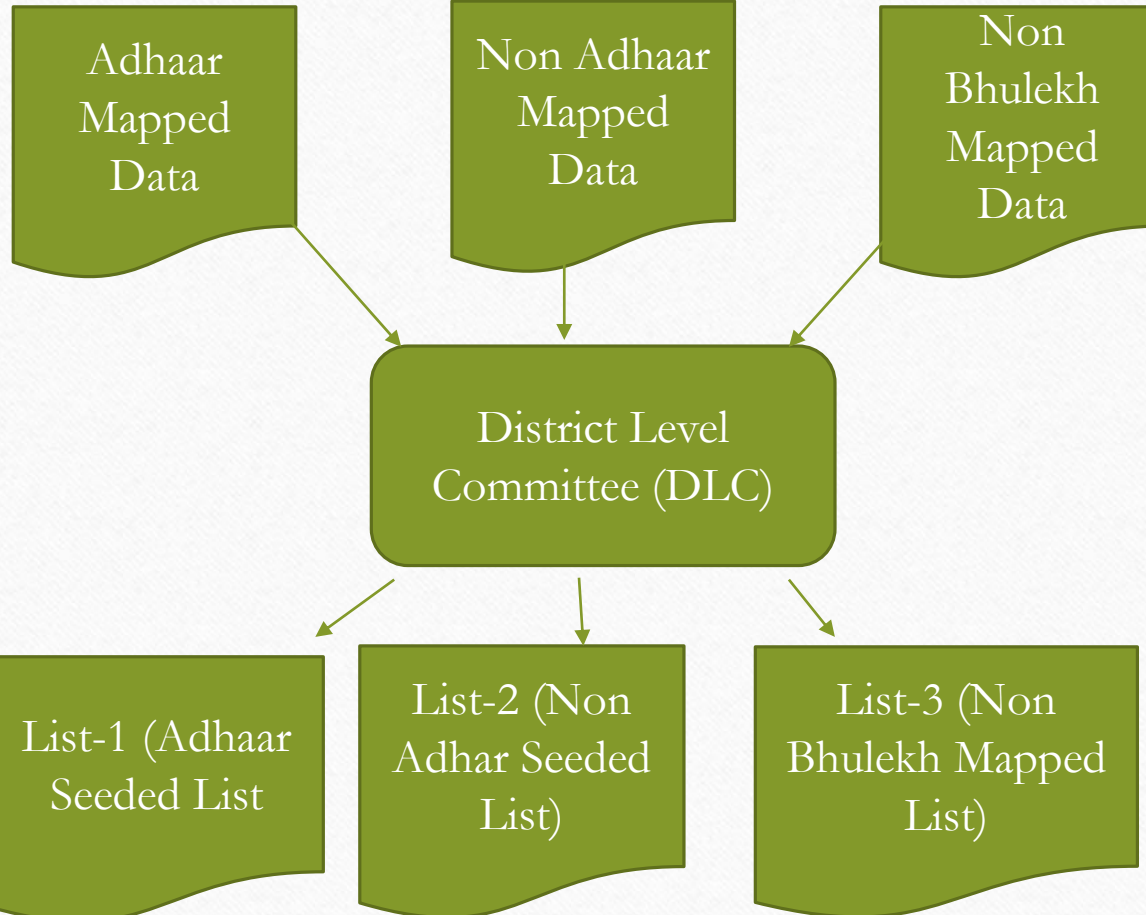
Field level
verifications on all
error lists

Revenue/ Agriculture
Department



Data Flow (District Level)

Lists generation



Farmers visits branch for acceptance letters.

District Agriculture Officer

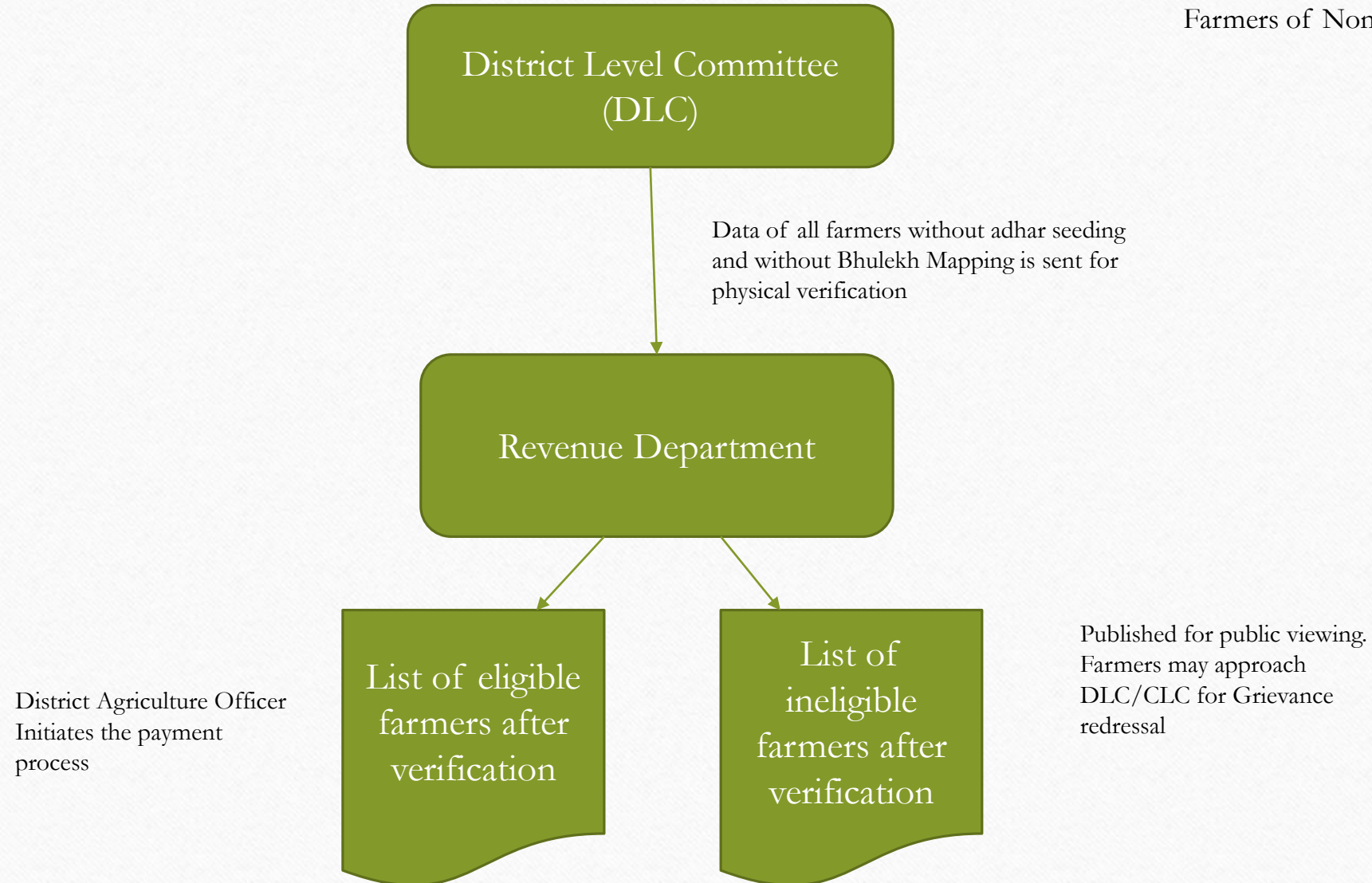
Prepare Bill for payments

Farmers visits branch for Information Letters, adhar consent and adhar mapping

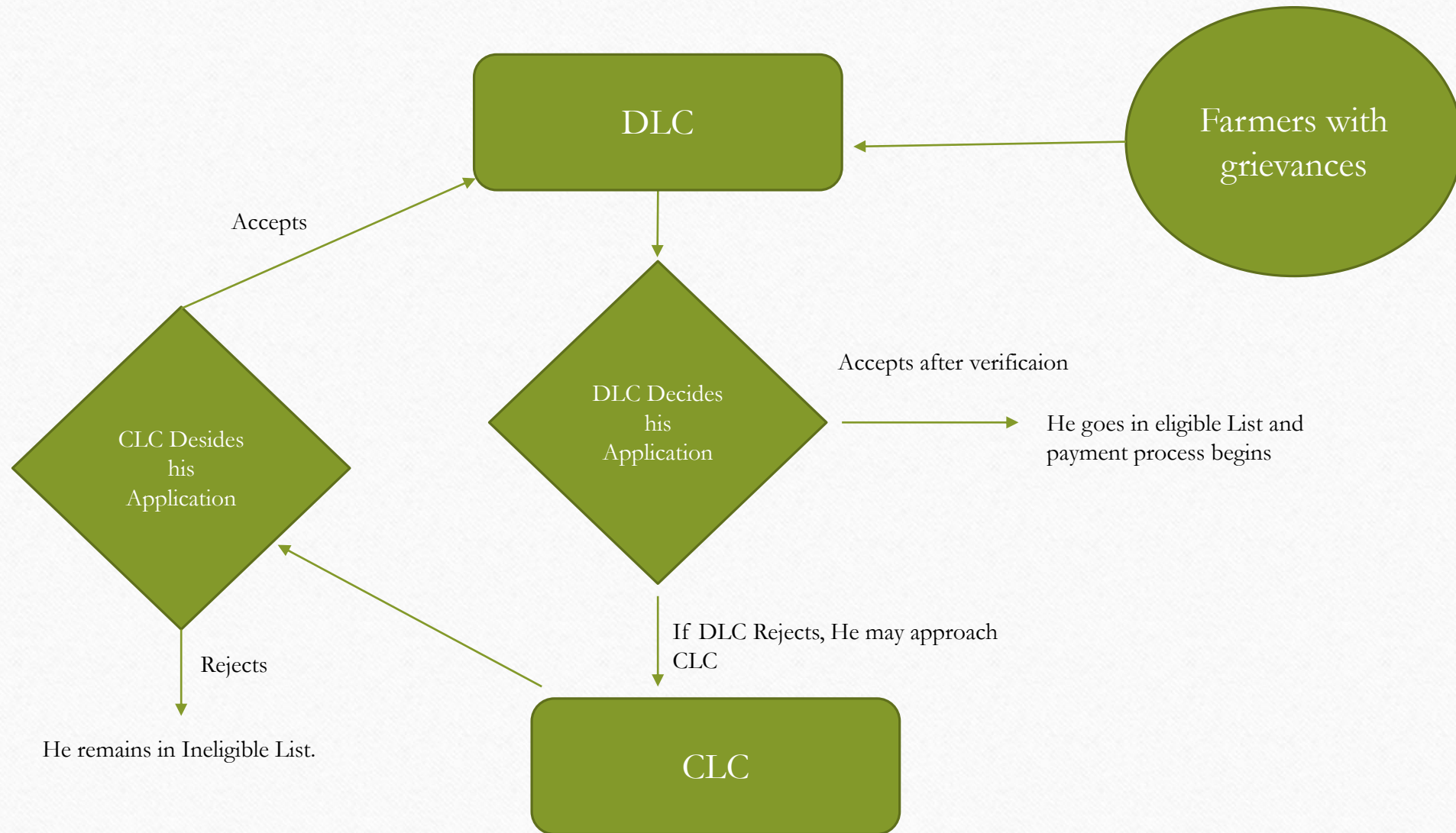
All farmers of this list are physically verified by revenue officers

These Lists are Published for public viewing. Farmers may approach DLC/CLC for Grievance redressal

Data Flow (District Level)
Farmers of Non Bhulekh Mapped List



Grievance Redressal



Thanks