

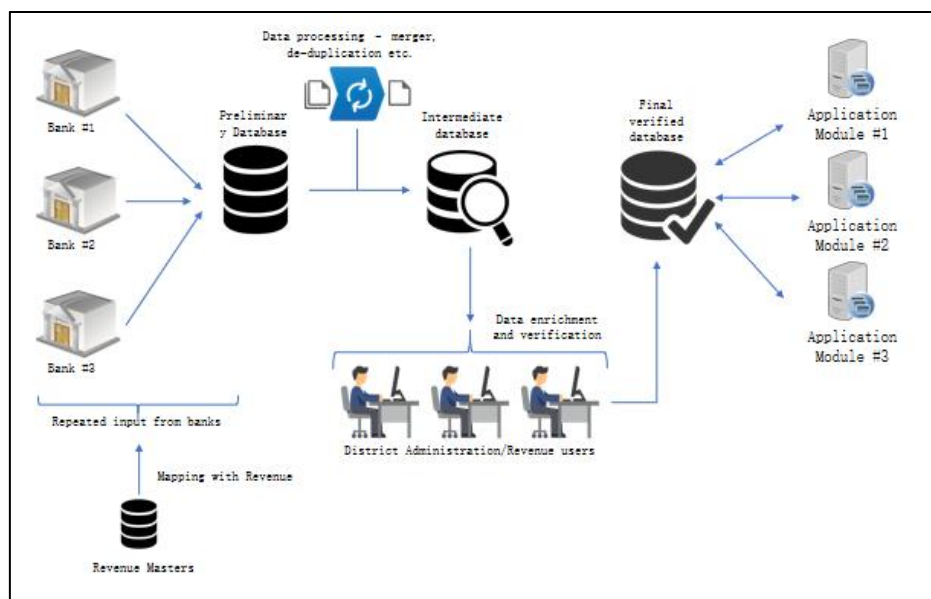
Case Study

Crop Debt Relief Scheme

The Crop Debt Relief Scheme was notified in the year 2017 in the state to provide relief against pending crop loans to the eligible farmers. The scheme covered the institutional crop loans extended to 'marginal and small farmers' by Scheduled Commercial Banks, Regional Rural Banks & Cooperative Credit Institutions (including Urban Cooperative Banks). The process for the identification of beneficiaries and calculation of benefit under the scheme is illustrated as under:

1. The banks to provide the loan data of the eligible farmers as per ANNEXURE-A of the scheme notification through the logins of their respective bank branches.
2. Four step revenue verification process is followed starting from Patwari->Kanungo->CRO->SDM for the claims submitted by banks.
3. On the basis of Revenue verification and self-declaration submitted by the beneficiary to the concerned SDM office, the category of farmer as Marginal, Small and Big is defined and eligible relief amount is calculated in accordance with ANNEXURE-B of the scheme notification.
4. The social audit is conducted by the concerned SDM office on the basis of ANNEXURE-B and objections are recorded. The decisions are taken regarding social audit objections in the concerned SDM committee.
5. After completion of the verification process, the SDM submits the reports to the Deputy Commissioner of the District for further recommendations to Agriculture Department for release of claims to the eligible farmers.
6. Finally, Agriculture Department issues the payment instructions to the Nodal Banks for release of the eligible claim amount to the farmers.
7. The dispute resolution w.r.t. to claims, if any, is done by the concerned SDM committee.

There were many questions to be answered to start the execution of the above mentioned process. It was anticipated that a farmer may have multiple land holdings as well as multiple loans from different banks. To assess the eligibility of the farmer, a wholistic view of the farmer's landholdings and loans was required. Thus, it was decided to collate the records with the help of Aadhaar numbers. A software solution was developed and implemented to execute the process. The figure mentioned below describes the solution design:



The strategy adopted for the implementation of the software solution is explained as under :

1. Aadhaar was used as a key identifier for identifying the farmer and aggregating multiple land holdings and crop loans.
2. Each bank branch was given a user login with a facility to upload loan data on the portal.
3. The application validates the records with de-duplication and other checks including Aadhaar Demographic Authentication. The verified records were pushed in the login of the concerned Patwari. The rejected records were reported back to concerned bank branch for resubmission of record with the necessary corrections.
4. The Patwari added the Land Details after searching the revenue records on the basis of the information provided by banks. Land details of the farmer as on Loan Sanction Date/Date of First disbursement was confirmed on the portal.
5. The verification done by Patwari was approved and endorsed by concerned Kanungo, then the Chief Revenue Officer (CRO) and finally by SDM.
6. The beneficiaries submitted the self declaration statements about its eligibility to the concerned SDM offices.
7. Draft Annexure-B of the scheme notification were generated through the application and were made available to the concerned officers for printing for social audit.
8. The objections received during the social audit were recorded in the application and the concerned records were put on hold for release of relief till the objections were resolved through SDM committees.
9. The approved records were then submitted to the DCs for recommendation of the release of payment.

10. On endorsement by the DC under their login, the cover letter for recommendation of the payment was generated in the system and the qualified records were then sent to Director, Department of Agriculture for processing of the payments.
11. Finally, Director, Agriculture issues instructions to the Nodal Banks to transfer relief to respective loan accounts.
12. In case of State Cooperative banks, Bank HQ user downloads the payment file under its login and processes it for payment transfer as per the predefined process. The status of the payments are posted on the portal by the State Cooperative bank users.
13. In case of the commercial banks, the system posts the electronic payment files on the bank server and bank executed the payment transfers using ACH channel. The Nodal bank uploads the response file to the system to mark the successful and failed transactions.

Scheme fact sheet

1. Category wise claims processed

Sr. No.	Component	No. of Farmers
Eligible farmers		6,23,833
1.	Marginal Farmers for Cooperatives	2,13,118
2.	Marginal Farmers for Cooperatives (SDM Cases)	33,598
3.	Small Farmers for Cooperatives	1,27,551
4.	Small Farmers for Cooperatives (SDM Cases)	7,214
5.	Marginal Farmers for Commercial Banks	1,18,496
6.	Marginal Farmers for Commercial Banks (SDM Cases)	3,747
7.	Small Farmers for Commercial Banks	14,256
8.	Small Farmers for Commercial Banks (SDM Cases)	681
9.	Common Marginal	95,079
10.	Common Small	10,093
Excluded		3,99,663
11.	Big Farmers	2,03,804
12.	Small Farmers - More than Rs 2 Lakh Loan	90,863
13.	Ineligible during Self Declaration Stage	90,740
14.	On-hold due to objections during Social Audit	14,256

2. Relief disbursement summary

Sr.No.	Total		Benefits disbursed		Ready for release	
	Eligible Farmers	Eligible Amount	Farmers	Amount	Farmers	Amount
1	6.24	5,788.17	5.6	4,610.81	1.06	1,177.35

* Farmers count in lakhs and Amount in crores Indian Rupees.

3. Phase wise relief disbursement details

Phase	Detail	Farmers	Amount
Phase 1	Cooperative Banks(Marginal Farmers)	2.30	1,318.50
Phase 2	Commercial Banks(Marginal Farmers)	1.10	1,805.36
Phase 3	Cooperative Banks(Small Farmers)	1.25	889.14
Phase 4	Commercial Banks(Small Farmers)	0.07	8.946
Phase 5	Common Cases(Marginal Farmers)	0.88	506.85
Phase 6	Common Cases(Small Farmers)	0.002	1.48
Total		5.63	4,610.81

* Farmers count in lakhs and Amount in crores Indian Rupees.