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**Working Group to suggest measures to assist distressed farmers**

The Reserve Bank of India today constituted a Working Group to suggest measures to assist distressed farmers including provision of financial counselling services and introduction of a specific Credit Guarantee Scheme under the Deposit Insurance and Credit Guarantee Corporation of India (DICGC) Act for such farmers. The members of the Working Group will be:

1. Prof. S.S. Johl, Vice Chairman, Punjab State Planning Board – Chairman
2. Dr. Y.S.P. Thorat, Chairman, National Bank for Agricultural and Rural Development
3. Shri. H.N.Sinor, Chief Executive, Indian Banks' Association
4. Shri. B.D.Narang, former CMD, Oriental Bank of Commerce
5. Prof. M.S. Sriram, Indian Institute of Management, Ahmedabad
6. Shri Ashok Bandopadhyaya on Board of West Bengal State Cooperative Bank
7. Shri Suresh Kisanveer, Chairman, Satara District Central Cooperative Bank
8. Dr. Srijit Mishra, Assistant Professor, Indira Gandhi Institute of Development Research
9. Shri C.S.Murthy, CGM in Charge, Rural Planning and Credit Department, Reserve Bank of India - Member Secretary.

The terms of reference of the Group will be:

- i) To delineate the circumstances under which a farmer can be treated as a distressed farmer, keeping in view the findings of recent studies on such farmers.
- ii) To review the international experience in assisting distressed farmers including provision of financial counselling and planning services.
- iii) To evolve a Credit Guarantee Scheme under the DICGC Act for distressed farmers, keeping in view the earlier experience of Credit Guarantee Scheme.
- iv) To suggest measures for providing financial counselling and risk mitigants for distressed farmers
- v) Any other relevant matter.

The Group is expected to submit its report by September 30, 2006

It may be recalled that paragraph 152 of the Annual Policy Statement 2006-07, observed that despite the spread of banking facilities in rural areas and availability of bank finance at reasonable rates, farmers in several areas are still in distress. It was, therefore, proposed in the Policy to constitute a Working Group to suggest measures for assisting distressed farmers, including provision of financial counselling services and introduction of a specific Credit Guarantee Scheme under the DICGC Act for such farmers.

**Alpana Killawala**  
Chief General Manager