

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3729  
ANSWERED ON:16.12.2011  
INDIRAKRANTHI PATHAM SCHEME  
Reddy Shri Magunta Srinivasulu

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government of Andhra Pradesh has requested the Union Government to reduce the interest rate on loans taken under Indirakranthi Patham Scheme and also in case of the persons who repay their loan on time;
- (b) if so, the details thereof;
- (c) whether there is also a request that the reduced interest rate should be borne by the Union Government instead of State of Andhra Pradesh; and
- (d) if so, the details thereof and action taken in this regard so far?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a)to(d): The Andhra Pradesh Government had suggested to the Union Government an interest subvention scheme for Women Self Help Group (SHG) members on the lines of subvention of crop loans.

The Interest Subvention Scheme of the Government of India (GoI) is applicable only to farmers for availing short term crop loan upto Rs. 3 lakh for a period of one year. The objective of the Scheme is to increase agriculture production.

The GoI, has announced in the Budget 2011-12 to create a 'Women SHG's Development Fund' with a corpus of Rs. 500 crore.