

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:247
ANSWERED ON:30.03.2012
LOSSES OF STCCS QUESTION
Meghwal Shri Bharat Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Short Term Cooperative Credit Structure (STCCS) has suffered losses on account of disbursement of short-term loans to the farmers at concessional rates;
- (b) if so, the details thereof for the last three years and the current year, State-wise;
- (c) whether the Government proposes to make good such losses;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the other corrective steps taken/being taken by the Government in this regard?

Answer

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE)

(a) to (e): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No.247 to be answered on 30th March, 2012 regarding losses to STCCS tabled by Shri Bharat Ram Meghwal.

(a) to (e) : No, Sir. The Interest subvention scheme is being implemented by the Govt of India since 2006-07 to make short term crop loans upto Rs.3 lakh for a period of one year available to farmers at the interest rate of 7 % per annum. Interest subvention is provided to Public Sector Banks, Regional Rural Banks, Cooperative Banks to meet the difference between the cost of their own funds and the lending rates on such loans. The Government has released Rs. 1356.64 crore to cooperative banks through NABARD towards interest subvention between 2006-07 and 2010-11.