

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2577
ANSWERED ON:28.08.2012
RESTRUCTURING OF NAFED
Reddy Shri Magunta Srinivasulu

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the National Agriculture Co-operative Marketing Federation of India Ltd. (NAFED) has submitted any proposals to the Union Government for restructuring of its loans;
- (b) if so, the details thereof; and
- (c) the present status of these proposals thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) to (c): NAFED had earlier submitted a proposal to the Government envisaging Government guarantee of Rs.1200 crores so as to enable NAFED to borrow a long-term loan for repayment of overdue and interest free advance/equity of Rs.920.21 crores over a period of 9 years which is to be repaid in 6 years. Subsequently, NAFED has submitted a revised proposal envisaging a Government Guarantee of Rs.450 crores and interest free advance/equity of Rs.590 crores. The approval of the proposal depends on the availability of resources and concurrence of the stakeholders.