

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3931
ANSWERED ON:05.09.2012
CHEAP AGRICULTURAL LOAN
Patel Shri Lalubhai

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government provides cheap agricultural loan to the farmers cultivating flowers and beetel leaves; and
- (b) if so, the percentage of agricultural loan provided to such farmers?

Answer

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

(a) & (b): Extant guidelines of Reserve Bank of India on priority sector provides lending for raising crops which include loan for traditional plantations and Horticulture. The Interest Subvention Scheme is being implemented by the Government 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 percent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payee farmers. The additional subvention was 1% in 2009-10, 2% in 2010-11 and 3% in 2011-12. The Government has in the Budget speech of 2012-13 announced continuation of the scheme in 2012-13.

The details of loans provided to the farmers cultivating flowers and beetle leaves is not centrally maintained.