

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1768
ANSWERED ON:22.08.2012
NABARD INTEREST RATE
Bairwa Shri Khiladi Lal

Will the Minister of FINANCE be pleased to state:

(a) whether the Government intends to direct the NABARD to sanction refinance claim at previous interest rate of 4.50% instead of 9.75%; and;

(b) if so, the details thereof?

Answer

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

(a) & (b): Under the Interest Subvention Scheme on short term crop loans of Government of India, Cooperative Banks have been provided refinance through NABARD at the interest rate of 4.5% in 2011-12 to lend them at 7% p.a. The Finance Minister in the budget speech 2012-13 has announced for continuation of the interest subvention scheme in 2012-13 as well.