

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3298
ANSWERED ON:30.08.2013
SHORT TERM CROP LOAN
Kateel Shri Nalin Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether the interest subvention scheme is applicable to the short-term crop loans raised under the Agri Gold Loan Scheme;
- (b) if so, the details thereof;
- (c) whether the Government has taken note of certain banks not extending the said benefit to the farmers and if so, the details thereof;
- (d) whether the Government proposes to make it mandatory to extend the benefits of interest subvention scheme to Agricultural Gold Loan Scheme; and
- (e) if so, the details thereof?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (e): Interest Subvention is also granted to farmers on pledge of gold as a security for raising short-term crop loans which satisfy the conditions prescribed for the purpose such as the borrower should be an agriculturalist ; rate of interest charged should not exceed the rate stipulated by the Government; the amount of loan is fixed according to the prescribed scale of finance for agricultural loans; the loan is used for stated purposes; and the seasonality is observed in regard to both disbursement and recovery.