

Schemes including rationalisation of the system of payment of commission to the agents. The report of the Committee is awaited.

- (e) There is no such proposal under consideration.
- (f) Question does not arise.

(g) and (h) The Committee referred to above in part (d) of the reply is also considering this issue. The report of the Committee is awaited.

#### **Export Credit Guarantee on Agricultural Products**

5499. SHRI RAMKRISHNA BABA PATIL : Will the Minister of COMMERCE be pleased to state :

- (a) whether the Government are aware that the United States has stopped the export credit guarantees on agricultural products;
- (b) if so, the reasons therefor; and
- (c) the steps being taken by the Government in this regard?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) No, Sir.

- (b) and (c) Do not arise.

#### **NABARD Loans to A.P.**

5500. SHRI S. SUDHAKAR REDDY : Will the Minister of FINANCE be pleased to state:

- (a) whether the Government of Andhra Pradesh have requested NABARD for sanction of Rs. 75 crores to APCOB as interest free loan to help the Cooperative societies which in turn will extend relief to farmers affected by pests, droughts, etc;
- (b) if so, the details thereof and the decision of NABARD thereto;
- (c) whether the NABARD and Commercial banks propose to grant moratorium on the loans of small and marginal farmers affected by drought etc;
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) has reported that Government of Andhra Pradesh and Andhra Pradesh State Cooperative Bank (APCOB) had requested for sanction of assistance from NABARD to extend relief to farmers affected by pests, droughts, etc. which included an amount of Rs. 75 crores as interest free loan to APCOB to meet their administrative expenses including salaries. In response to these requests, NABARD had sanctioned credit limits for an amount of Rs. 162 crores on behalf of 14 District Central Cooperative Banks (DCCBs) for conversion of short term crop loans into

medium term loans in respect of affected farmers. Further, NABARD has extended series of special concessions in its policy and operational norms as indicated below:

- (i) Deferment of interest payable by APCOB on Medium Term Conversion (MTC) loans and on rescheduled long term loans for a period of 2 years.
- (ii) Fixing a repayment period of 7 years including moratorium of 2 years for MTC (including rephasing) loan as against the normal policy of fixing 3 year repayment schedule;
- (iii) Sanctioning adequate short term credit limits to cooperative banks to enable them to extend fresh credit to farmers;
- (iv) Allowing fresh draws to APCOB on short term credits against bank's fresh loans disbursements, despite deficit in non-overdue cover to enable replenishment of its resources;
- (v) Relaxing the norm of restricting draws upto 50% of incremental lending to enable the cooperative banks to avail more concessional refinance from NABARD.

(c) and (d) As reported by Reserve Bank of India (RBI), banks have been instructed to grant moratorium on recovery of principal and interest in respect of loans of the affected farmers for a period of 2 years and the amount not collected during these 2 years would be rescheduled for a total period of 7 years excluding the initial moratorium period of 2 years. Further, NABARD has also agreed to consider reduction in State Governments share in the conversion from the normal level of 15% to 5% and increasing NABARD's share from normal level of 60% to 70%.

#### **Schemes for Improving Exports**

5501. DR. RAVI MALLU: Will the Minister of COMMERCE be pleased to state:

- (a) the incentives given to the export houses in the country during the last three years, State-wise;
- (b) whether any proposals are pending with the Government regarding introduction of any new schemes for improving the exports; and
- (c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) The Government recognised Export Houses are entitled to freely transferable Special Import Licences as a percentage of their exports on FOB/NFE basis. Such Houses are also eligible for LUT facility in lieu of Bank Guarantee while making duty free imports under Duty Exemption Scheme. The Export Houses are also granted some market development assistance.

(b) and (c) There is no specific proposal as such pending with the Government for introduction of any new scheme. However, several proposals/suggestions are received from trade and industry for promoting exports on a regular basis.