

The Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008, has de-clogged the lines of credit that were clogged due to the debt burden on the farmers. Under the scheme Rs. 52,275.55 crore has been released by the Government to RBI and NABARD to give benefit to 3.45 crore farmers.

In order to increase the institutional credit to farmers on affordable terms, 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 per cent per annum. The Government of India has since 2009-10 been providing additional interest subvention to prompt payees farmers, *i.e.*, those who repay their loan in time. The additional subvention was 1% in 2009-10 and 2% in 2010-11. This has been increased to 3% in 2011-12. Further, in order to discourage distress sales, the benefit of interest subvention was made available in the year 2011-12 to small and marginal farmers having Kisan Credit Card for a further period of upto six months post harvest on the same rates as available to crop loans against Negotiable warehouse receipts for keeping their produce in warehouses. The Government in the Budget Speech of 2012-13 announced continuation of the Scheme in 2012-13 as well.

Draft guidelines for basel-III capital requirements norms

198. SHRI N.K. SINGH: Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has released draft guidelines for the Basel-III capital requirements norms for banks in the country;
- (b) if so, the details thereof;
- (c) the total amount of capital that needs to be raised by private sector and public sector banks to reach the minimum capital-requirement norms;
- (d) whether this capital raising exercise could have an adverse impact on lending and in turn the country's economic growth over the coming years;
- (e) if so, the details thereof; and
- (f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The Reserve Bank of India (RBI) released the final guidelines on Implementation of Basel III Capital Regulations in India on May 2, 2012 which is available at RBI website www.rbi.org.in.

- (c) The quantum of capital that would be required by Indian banks due to

implementation of Basel III capital standards depends on numerous factors such as actual economic growth in the real sector, growth in the Risk Weighted Assets of the banks, profitability of banks and extent of retained earnings, level of non-performing assets, growth in capital markets, investors risk appetite and their confidence in the banking system etc.

(d) to (f) RBI has informed that Basel III will be implemented in India over a sufficiently long transition period to avoid any unintended consequences on growth and lending activities of banks.

Draft General Anti Avoidance Rules

199. SHRIMATI KUSUM RAI:

SHRI ARVIND KUMAR SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether Government has issued draft General Anti Avoidance Rules (GAAR);

(b) if so, the details thereof;

(c) whether some objections have been received in this regard from PMO and other quarters;

(d) if so, the details thereof; and

(e) the response of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir.

(b) The draft guidelines in this regard have been published which is in the public domain. These are placed as Annexure. [*See Appendix 226 Annexure No. 3*]

(c) No objection has been recieved from PMO. However, suggestions in this regard have been received from the quarters.

(d) The representations from 14 persons/institutions have been received. The list is given in Statement (*See below*)

(e) The Government has constituted a four member Committee headed by Dr. Parthasarathi Shome for examining issues related to GAAR guidelines. The suggestions received from the various stakeholder are under examination by the Committee.