

students. Since Management Quota seats are released by the Management at its discretion, merit may not be the sole criteria for such admission. In view of this, Management Quota admissions have been kept outside the purview of the Model Educational Loan Scheme. Banks have been advised to fix appropriate terms and conditions for such loans. Many banks have separate schemes for providing education loans to students admitted under Management Quota.

(d) and (e) Representations received in the matter and the experience on the implementation of the scheme is taken into consideration at the time of revision of Model Scheme.

**Loan taken by farmers from private money lenders**

1273. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government had constituted a Task Force to look into the issue of a large number of farmers, who had taken loans from private money lenders, not being covered under the loan waiver scheme;

(b) if so, the details of the recommendations made by the task force; and

(c) the action that has been taken on the recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) The Government of India had constituted a Task Force, under the Chairmanship of Shri. U. C. Sarangi, the then Chairman, NABARD to look into the issue of a large number of farmers, who had taken loans from private money lenders, not being covered under the loan waiver scheme.

The Task Force has submitted its report to the Government in June, 2010. The Task Force's main recommendations *inter-alia* include the following :

- (i) Policy measures for addressing the issues of farmer's indebtedness to money lenders and measures to provide relief to farmers.
- (ii) Various measures including the Kisan Credit Card (KCC) Scheme to ensure coverage of small and marginal farmers, tenant farmers, share croppers and oral lessees by the institutional credit card fold, to reduce their dependence on informal sources.
- (iii) On legislation regarding loans from private money lenders and the need for a grievance redressal mechanism at the District level which is accessible to both money lenders and farmers.

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 farmers who repay in time. 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 KCC Scheme has been revised in May, 2012 and banks have been advised to issue Kisan Credit Cards to all eligible farmers.

#### **Villages without banks**

1274. DR. K.V.P. RAMACHANDRA RAO: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that 74,414 villages with population above 2,000 were identified as unbanked, which were allocated to various banks for providing banking services by March, 2012;
- (b) if so, whether this has been achieved; and
- (c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) Banks were advised in 2010-11 to prepare a roadmap for providing banking services by March, 2012 to villages with a population above 2,000, as per 2001 census, in the country. Under the roadmap, 74,398 villages with population above 2,000 were identified, which were allocated to various banks, including Regional Rural Banks (RRBs), for providing banking services. Banks have covered 74,194 of these unbanked villages by March 31, 2012 through branches, Business Correspondents, Mobile Banking etc.

#### **Focus of insurers on urban areas**

1275. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Insurance Regulatory and Development Authority (IRDA) has been expressing its concern that State-owned insurers have preferred to focus on urban areas at the cost of semi-urban and rural potential markets;