(c) the details of last three years loans advances and recovery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) Interest subvention is provided to small and marginal farmers having Kisan Credit Card (KCC) for loan against Negotiable Warehouse Receipts (NWRs) for a period of up to six months post-harvest to discourage distress sale of their produce. The rate of interest is the same as applicable to crop loans, *i.e.* 7 per cent per annum. Further, in line with the recommendations of the Committee constituted by the Government of India for strengthening the NWRs, Public Sector Banks (PSBs) and National Bank for Agriculture and Rural Development (NABARD) have been advised to popularize the interest subvention scheme of pledge loan against NWRs. Besides, PSBs have also been asked to set internal targets for lending against NWRs.

(b) and (c) The Government does not sanction loans against NWRs. However, Government has released ₹ 6,000 crore, ₹ 6,000 crore and ₹ 12,405.16 crore during 2013-14, 2014-15 and 2015-16 (upto 30.11.2015) respectively towards interest subvention claims of banks, which also include claims of Public Sector Banks/Cooperative Banks/ Regional Rural Banks towards extending concessional pledge loan to small and marginal farmers having KCC against NWRs.

Roll Back of Funding Model for NE States

1038. SHRI RONALD SAPA TLAU: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the reactions of North Eastern States on the recently roll back of the existing 50:50 model of funding to the States;

(b) if so, the details thereof;

(c) whether Government is planning to roll back the remaining 50:50 model of central funding for all the remaining developmental Ministries for the North East States; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) Following the recommendations of the Fourteenth Finance Commission, devolution of the Central Taxes and Duties to States has increased by 10% amounting to an increase of ₹ 1,86,150 crore in the 2015-16 BE as compared to the 2014-15 RE. Due to paucity of resources, we had initially proposed change in the funding pattern of Centrally Sponsored Schemes to 50:50. However, considering the requests of the North Eastern States and the recommendations of the Sub Group of Chief Ministers constituted by NITI Aayog, it has been decided that for the 8 North Eastern States and 3 Himalayan States the funding pattern will be in the ratio 90:10 for Core Centrally Sponsored Schemes (which form part of the National Development Agenda) and 80:20 for the optional schemes.

Liability of Andhra Pradesh to financial institutions and banks

1039. SHRI MOHD. ALI KHAN: Will the MINISTER OF FINANCE be pleased to state:

(a) whether the Government has any details of the loans to be repaid by the Government of Andhra Pradesh to Centre, World Bank, Asian Development Bank, NABARD, other Financial Institutions and banks and re-payment made/to be made during the last three years and the current year, particularly after the implementation of the A. P. State Reorganisation Act; and

(b) if so, the details thereof, institution-wise and the purpose thereof, work-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b)

(i) The Central Government determines and regulates the Net Borrowing Ceiling for each State within their respective Fiscal Deficit targets as per formula prescribed by the Finance Commissions. The repayments of principal on outstanding loans of States are taken care of by allowing the replacement borrowings against repayment of loans within the gross borrowing ceiling of the States.

(ii) The Net Borrowing Ceilings prescribed covers all elements of the Borrowing by States, including Open Market Borrowings (State Development Loans), Negotiated Loans, National Small Saving Fund loans (NSSF), loans for EAP, other liabilities arising out of the Public Accounts Transferring net Small Savings, Provident Funds, and Reserve Funds deposited, etc.

(iii) After the recommendations of Twelfth Finance Commission (TFC), recommending that disintermediation be stopped by GoI, the Market loans and the loans from Central Financial Institutions are raised by the State Governments themselves. The funds under NSSF belongs to individual depositors, and any loans raised from the Fund are governed by the Rules of the Fund. The other liabilities arising out of the public account transfer like state Provident Funds, Security Deposits, etc., emanate from the States