

(e) GDP is a broad measure of a nation's overall economic activity in a given financial year. Adjusting for inflation on an year-to-year basis, or estimating GDP at constant base-year prices, helps in tracking a nation's economic growth.

**Crop loans for farmers in the State of Telangana**

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

- (a) whether the Ministry is aware that the banks are harassing farmers in sanctioning crop loans in Telangana and forcing farmers to turn to private money lenders;
- (b) whether the banks are insisting on clearing the old loan with interest to become eligible for fresh loans despite the State Government's interest waiver scheme; and
- (c) if so, what action has been taken to help farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) State Level Bankers' Committee (SLBC), Telangana has reported that it has not come across any such cases. National Bank for Agriculture and Rural Development (NABARD) has also reported that it has not received any such complaint.

Reserve Bank of India (RBI) has informed that they receive complaints in regard to certain issues relating to agriculture credit and on receipt of such complaints, the matter is taken up at appropriate level for redressal thereof. RBI has further stated that as on date no complaint is pending with them.

(b) and (c) SLBC, Telangana has reported that interest subvention is available from both Government of India and State Government of Telangana. Under the GoI's Interest Subvention Scheme, additional subvention of 3% is given to those farmers who repay their short term crop loan upto ₹ 3.00 lakh in time, *i.e.* within one year of disbursement, thereby reducing the effective rate of interest to 4% for such farmers. The Vaddi Leni Runalu Scheme of the State Government of Telangana provides for further reimbursement of 4% interest subvention for loans upto ₹ 1.00 lakh to those borrowers who repay their loan within one year. Thus, in Telangana crop loans upto ₹ 1.00 lakh, if repaid within one year, bear no interest under the interest-subvention schemes of GoI and State Government of Telangana put together.

SLBC, Telangana has reported that while the interest repayment by the borrower is not insisted upon in case of those farmers who are renewing the loans within one year from the date of availment, as per the extant guidelines, the principal loan amount is to be repaid by the borrower for renewal of the account.