

repay their short term crop loan in time, thereby reducing the effective rate of interest to 4% p.a. for such farmers.

- In order to ensure that all eligible farmers are provided with hassle-free and timely credit for their agricultural operations, the Government has introduced the Kisan Credit Card (KCC) Scheme, which enables them to draw cash to purchase agricultural inputs such as seeds, fertilizers, pesticides as well as meet other agricultural and consumption needs. The KCC Scheme has since been simplified by providing the farmers with ATM enabled debit card based on one-time documentation and built-in cost escalation in the limit, etc.
- To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks.
- Banks have been advised by RBI to waive margin/security requirements of agricultural loans upto ₹ 1,00,000/-, *vide* RBI's circular dated 18 th June, 2010.
- RBI has issued Standing Guidelines for Relief Measures to be provided by respective lending institutions in areas affected by natural calamities which, *inter alia*, include identification of beneficiaries, restructuring of existing loans, extending fresh loans, relaxed security and margin norms, moratorium, etc. The Guidelines have been so designed that the moment calamity is declared by the concerned District Authorities they are automatically set in motion without any intervention, thus saving precious time. The benchmark for initiating relief measures by banks has also been reduced to 33% crop loss in line with the National Disaster Management Framework.

#### **Village infrastructure development by NABARD**

2333. SHRI HARSHVARDHAN SINGH DUNGARPUR: Will the Minister of FINANCE be pleased to state:

(a) whether Government is preparing to provide 60 per cent finance by NABARD, instead of the present 40 per cent of the ground level disbursement, if so, the details thereof and if not, the reasons therefor; and

(b) whether the NABARD is working on a pilot project for intra-village infrastructure development which may fill all missing links for a fully integrated rural infrastructure development; and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) National Bank for Agriculture and Rural Development (NABARD) has reported that the quantum of refinance for Cooperative Banks depends on the Short Term Cooperative Rural Credit (Refinance) Fund, which is made available to NABARD from out of the shortfall in priority sector lending targets by commercial banks. Other factors taken into consideration for determining the quantum of refinance by NABARD are Capital to Risk Weighted Assets Ratio (CRAR), Net Non-Performing Assets (NPA) level, realistic lending programme and backwardness of the State/regions. As per the policy circular of NABARD, the normal quantum of refinance for 2016-17 for State Cooperative Banks (StCBs) has been set as under:—

- 40 per cent of their Realistic Lending Programme (RLP) for general areas including Gujarat.
- 45 per cent of the RLP for the Eastern region including Bihar, Odisha, West Bengal, Chhattisgarh, Jharkhand and 28 districts of Eastern Uttar Pradesh.
- 60 per cent of RLP for the North Eastern Region (NER), Jammu and Kashmir, Sikkim, Andaman and Nicobar Islands, Himachal Pradesh and Uttarakhand.

(b) NABARD has informed that it is not working on a pilot project for intra-village infrastructure development. NABARD has further informed that the infrastructure projects duly prioritized by State Governments and posed to NABARD by them are being financed under Rural Infrastructure Fund (RIDF) as per the norms of lending; and at present 36 activities are eligible for financing under RIDF under three broad sectors, viz. Irrigation and Agri related, Rural Connectivity and Social Sector.

#### **Interest rate of MTC loans for affected farmers**

2334. SHRI HARSHVARDHAN SINGH DUNGARPUR: Will the Minister of FINANCE be pleased to state whether Government is considering to provide interest rate and interest subvention as in the case of crop loans so that Multi-State Tax Commission (MTC) loans to the affected farmers can be provided at par with crop loans; and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): With a view to ensuring availability of agriculture credit at a reduced interest rate of 7% p.a. to farmers, the Government of India in the Department of Agriculture, Cooperation and Farmers' Welfare implements an interest subvention scheme for short term crop loans up to ₹ 3.00 lakh. Under the said scheme, additional subvention