

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) With a view to providing short term crop loans to farmers at a reduced rate of interest Government in the Department of Agriculture, Cooperation and Farmers' Welfare (DAC AND FW) has approved continuation of the Interest Subvention Scheme for the current financial year 2017-18 for which an amount of ₹ 15,000 crore has been allocated for BE 2017-18. Under the Scheme, interest subvention of 2% per annum is provided to lending institutions viz. Public Sector Banks, Private Sector Commercial Banks (in respect of loans given by their rural and semi urban branches only), Regional Rural Banks and Cooperative Banks on use of their own resources for short term crop loans upto ₹ 3.00 lakh per farmer to enable the lending institutions to provide short term crop loans at the ground level at 7% per annum to farmers. Farmers are provided with 3% additional interest subvention for the short term crop loan of upto ₹ 3.00 lakh for a maximum period of one year for prompt repayment on or before the due date. Thus, farmers, who promptly repay their crop loans as per the repayment schedule fixed by the banks, are extended loans at an effective interest rate of 4% per annum.

Opposition to appointment of chief financial officer by RBI

2479. SHRI K. R. ARJUNAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the RBI's decision to appoint a Chief Financial Officer is facing stiff opposition as its officers' association has questioned the move on the grounds that such a requirement is neither a Statutory nor a legal mandate, if so, the details thereof; and

(b) whether it is also a fact that this is not the first time that the RBI's move to have an outsider is facing resistance, if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) Reserve Bank of India (RBI) has informed that the RBI Officers' Association expressed their reservations on the appointment of Chief Financial Officer (CFO) on various grounds including rank of CFO, need of CFO, lateral recruitment, etc.

(b) RBI has also informed that they had, in past, received a few similar communications while undertaking lateral recruitment for one post of Advisor in RBI.