

of these products in GST will require recommendation of the GST Council. So far, the GST Council has not made any recommendation for inclusion of petroleum products under GST.

(b) The prices of petroleum products in the country are benchmarked to international product prices. Generally, the price of petroleum products in the country are higher/lower than other countries due to various factors, including prevailing tax regime and subsidy compensations by the respective Governments.

With an aim to reduce the prices of petrol and diesel and give relief to the consumers, the Central Government reduced the Central Excise duty on petrol and diesel by ₹ 2 per litre with effect from 4th October, 2017. The Central Government further reduced the Central Excise duty on petrol and diesel by ₹ 1.50 per litre with effect from 5th October, 2018 and Public Sector OMCs also absorbed ₹ 1.00 per litre to reduce the overall price of petrol and diesel. The Central Government also requested the State Governments to make a reduction of ₹ 2.5 per litre in VAT imposed by them on petrol and diesel. Accordingly, 18 State Governments and 1 Union Territory have reduced VAT on petrol and diesel.

#### **Proposal of farm loan waiver from Government of Karnataka**

851. SHRI OSCAR FERNANDES: Will the Minister of FINANCE be pleased to state:

(a) whether Government of Karnataka has requested Government to waive 50 per cent of the agricultural loans availed by the farmers from commercial Banks/RRBs/cooperative Banks;

(b) if so, the details thereof and the response of Government on the above mentioned proposal;

(c) whether any other State Government had requested Government for waiver of the agricultural loans availed by the farmers from Banks/RRBs/cooperatives; and

(d) if so, the details thereof and the response of Government to other State Governments' proposals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHIV PRATAP SHUKLA): (a) to (d) The State Government of Karnataka has requested the Union Government to waive 50 per cent of the agricultural loans availed by the farmers from

commercial Banks/RRBs/ cooperative Banks. Government receives requests relating to agriculture credit from various State Governments. However, there is no proposal under consideration of the Union Government to waive off loans of farmers.

The Central Government has, *inter alia*, taken the following major initiatives to reduce the debt burden of farmers and for development of agriculture and welfare of farmers:

- With a view to ensure availability of agriculture credit at a reduced interest rate of 7% p.a. to the 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. The scheme provides interest subvention of 2% per annum to Banks on use of their own resources. Besides, additional 3% incentive is given to the farmers for prompt repayment of the loan, thereby reducing the effective rate of interest to 4%. Further, in order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against warehouse receipts, the benefit of interest subvention scheme has been extended to small and marginal farmers having Kisan Credit Card for a further period of up to six months post-harvest on the same rate as available to crop loan against negotiable warehouse receipt for keeping their produce in Warehouses accredited by Warehousing Development Regulatory Authority (WDRA).
- Under the aforesaid interest subvention scheme, to provide relief to farmers affected by natural calamities, the interest subvention on crop loan continues to be available to banks for the first year on the restructured amount. Such restructured loans may attract normal rate of interest from the second year onwards as per policy laid down by the Reserve Bank of India (RBI).
- Reserve Bank of India has issued directions for Relief Measures to be provided by respective lending institutions in areas affected by natural calamities which, *inter alia*, include, restructuring/rescheduling of existing crop loans and term loans, extending fresh loans, relaxed security and margin norms, moratorium, etc. These directions 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. In addition, Loan to distressed farmers indebted to non-institutional lenders is an eligible category of farm credit under the Priority Sector Lending (PSL) as per directions issued by RBI.

- The Government has announced its decision to fix Minimum Support Price (MSP) at a level of at least 150 per cent of the cost of production for kharif crops 2018-19.
- Pradhan Mantri Fasal Bima Yojana (PMFBY) provides a comprehensive insurance cover against failure of insured crops due to non-preventable natural risks, thus providing financial support to farmers suffering crop loss/damage arising out of unforeseen events; stabilizing the income of farmers to ensure their continuance in farming; and encouraging them to adopt innovative and modern agricultural practices.
- For development of agriculture and welfare of farmers of the country, the Government in DAC&FW, is implementing various Central Sector/ Centrally Sponsored Schemes, which include:
  - (i) Rashtriya Krishi Vikas Yojana (RKVY)
  - (ii) National Food Security Mission (NFSM)
  - (iii) National Agriculture Market (e-NAM)
  - (iv) National Mission For Sustainable Agriculture (NMSA)

**Investment in foreign countries by Indian companies**

†852. DR. ASHOK BAJPAI: Will the Minister of FINANCE be pleased to state:

- (a) the details of total investments made by Indian companies in foreign countries during the last three years, year-wise;
- (b) the top five countries which draw investments from Indian companies; and
- (c) the reasons for Indian companies making investments abroad instead of doing the same in domestic market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RADHAKRISHNAN P.): (a) Details of total investments made by Indian companies in

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†Original notice of the question was received in Hindi.