

1. Interest Subvention*:

RBI vide its circular RPCD No. FSD.BC.71/05.04.02/2013-14 made applicable interest subvention scheme to private sector banks. Scheme has been subsequently extended and made applicable in subsequent years. As per scheme guidelines Interest subvention @ 2% per annum will be made available to the Public Sector Banks (PSBs) and the Private Sector Scheduled Commercial Banks (in respect of loans given by their rural and semi-urban branches) for short-term crop loans up to Rs.3.00 lac per farmer. Additional interest subvention @3% per annum are available to the farmers repaying the loan promptly.