

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6227

ANSWERED ON:05.05.2000

NABARD ASSISTANCE TO MAHARASHTRA

A. VENKATESH NAIK;AJAY SINGH CHAUTALA;ASHOK NAMDEORAO MOHOL;CHINTAMAN NAVSHA WANAGA;P.C. THOMAS;SRIKANTA DATTA NARASIMHARAJA WADIYAR

**Will the Minister of FINANCE be pleased to state:**

- (a) whether NABARD has refinanced in several projects in the States, particularly in Karnataka, Maharashtra, Kerala and Haryana during the last three years;
- (b) the criteria and procedure set for selection of these projects;
- (c) if so, the details thereof alongwith the State-wise total amount disbursed during the above period, particularly to above States;
- (d) the sectors in which the disbursement was made;
- (e) whether refinance by NABARD during 1999-2000 is higher than the previous two years;
- (f) if so, to what extent; and
- (g) the details of achievements made by these States in those sectors for which disbursement has been made?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) has extended refinance assistance under schematic lending to commercial banks, regional rural banks and cooperatives in all the States of the country, including the States of Karnataka, Maharashtra, Kerala and Haryana, for various projects during the last three years.

(b) While selecting projects for refinance NABARD has been considering the following aspects:

- (i) Refinance is provided only to those projects which are technically feasible and financially viable;
- (ii) Refinance is allocated to the States and the same is disbursed through various financing banks depending upon their absorption capacity and previous year's achievements;
- (iii) Ensuring that maximum refinance is disbursed through the cooperative sector and in those States where cooperatives are weak, more allocation is made to commercial banks;
- (iv) Refinance is aimed at maintaining continuous and sustained growth as well as reducing regional and sectoral imbalances;
- (v) Not less than 50% of the refinance under certain schemes is channelised to weaker section of the society including small and marginal farmers;
- (vi) 100% refinance is provided under thrust area projects like watershed project, wasteland development, etc. in all States;
- (vii) Refinance ranging from 90% to 100%. is provided to all agencies in North Eastern Region aimed at increasing the flow of credit in the region;
- (viii) In view of Government's policy for doubling the foodgrain production in the country within the next ten years a thrust/priority is given for schemes under minor irrigation by providing increased quantum of refinance.

(c) The details of the State-wise total amount of refinance provided by NABARD during the last three years to all the States are given in the enclosed Statement.

(d) NABARD has been disbursing refinance under schematic lending for all agricultural and allied activities like minor irrigation, land development, seed processing, farm mechanization, dairy development, poultry, fisheries, storage and market yard, cold storage, agro processing including hi-tech schemes, forestry, Government sponsored programmes like integrated Rural Development Programme (presently Swamajayanti Gram Swarajgar Yojana), SC/ST Action Plan, Non-farm sector activities, etc.

(e) to (g) Yes, Sir. The refinance provided by NABARD during 1999-2000 was higher than that provided during the year 1998-1999. There has been a growth of 11%, 15% and 15% at the All India level over the previous last three years. The refinance disbursed to the above mentioned four States has also increased as indicated in the enclosed Statement.