GOVERNMENT OF INDIA FINANCE LOK SABHA

STARRED QUESTION NO:339 ANSWERED ON:11.12.2009 FINANCIAL ASSISTANCE BY NABARD Chanabasappa Shri Udasi Shivkumar

Will the Minister of FINANCE be pleased to state:

- (a) the details of the financial assistance provided by the National Bank for Agriculture and Rural Development (NABARD) to States including Karnataka during the last three years, State-wise and year-wise;
- (b) the areas where investments have been made and the extent thereof;
- (c) whether the Government has set up any monitoring mechanism for monitoring and timely completion of NABARD assisted projects; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE)

(a) to (d): A Statement is laid on the Table of the House.

Statement referred to in reply to Parts (a) to (d) of Lok Sabha Starred Question No. 339 to be answered on 11th December, 2009 regarding Financial Assistance by NABARD tabled by Shri Shivkumar Udasi.

- (a) & (b): The details of the financial assistance provided by the National Bank for Agriculture and Rural Development (NABARD) to States, including Karnataka, are as under:
- (i) NABARD has been providing assistance to State Governments for contribution to share capital of Cooperative Credit Institutions. The details of contribution for the last three years are given below:

(Rs. Crore)

Year Amount

2007-08 18.10

2009-10 0.00

NABARD has not provided any share capital assistance to Karnataka State Government.

(ii) The State-wise, year-wise details of financial assistance provided (sanctions & disbursements) to State Governments, including Karnataka, for Infrastructure projects under Rural Infrastructure Development Fund (RIDF) during the last three years, viz., 2006-07,

2007-08 & 2008-09 and the current year (2009-10), are furnished in the Annex-I

The major areas in which assistance under RIDF has been made available are irrigation, rural roads & bridges, social sector, power sector and other agriculture related infrastructure projects.

The Sector-wise details of number of projects and RIDF loan sanctioned during the last three years, viz., 2006-07, 2007-08 & 2008-09 and the current year (2009-10) to various State Governments are furnished in the Annex-lii.

(iii). NABARD is implementing the Government of India (Gol) Revival Package for Short Term Cooperative Credit Structure (STCCS) under which following releases have been made to various States so far under Gol share:

(Rs. Crore) 2007-08 2008-09 2009-10 Total States Andhra Pradesh 423.64 1151.47 12.08 1587.19 Chhattisgarh - 162.47 - 162.47 Gujarat 121.74 20.57 183.47 325.78 Haryana 240.34 214.78 - 455.12 Madhya Pradesh 381.32 268.55 335.22 985.09 Mahrashtra - 820.07 586.81 1406.88 Orissa 140.00 453.69 593.69 Tamil Nadu - - 1008.34 1008.34 Tripura - - 51.35 51.35

Uttar Pradesh - 340.85 - 340.85

Total 1307,04 i~35674T 2177.27 705172

As regards Karnataka, the process of conducting special audit of 4130 Primary Agriculture Credit Society (PACS) in the State has been completed recently. NABARD is in the process of finalization of the claims in regard to recapitalization of PACS.

(c) & (d): The projects under RIDF are being monitored on an ongoing basis by the Implementing Departments of the State Government. In addition, the projects sanctioned under RIDF are also monitored at the State level by a High Power Committee (HPC) headed by the Chief Secretary/Finance Secretary of the State on a quarterly basis, NABARD has also been monitoring the RIDF projects through desk monitoring and field visits on a selective basis.

For monitoring the implementation of the Revival Package for STCCS a National Implementation and Monitoring Committee (NIMC) has been set up at the National level under the Chairmanship of the Secretary, Government of India, Ministry of Finance, Department of Financial Services. A State Level Implementation Committee has been set up in each of the implementing States to monitor at the State level. Similarly, at the District Central Co-operative Bank (DCCB) level, DCCB Level Implementation Committees have been set up.