

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3965
ANSWERED ON:26.08.2011
CAPITAL BASE OF NABARD
Thomas Shri P. T.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to raise the Capital Base of NABARD;
- (b) if so, the details thereof alongwith the implementation status of such proposal;
- (c) whether such proposal will contribute Rs. 10,000 crore to NABARD's short-term rural credit fund and improve the flow of agricultural credit; and
- (d) if so, the details thereof alongwith the assistance provided by NABARD during the last two years and the current year?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b): The Finance Minister in the budget 2011-12 has announced to infuse additional capital of Rs 3000 crores to NABARD increasing the present level of paid up capital of Rs. 2000 crore to Rs 5000 crore in a phased manner.

(c): As regards Short Term Rural Credit Fund, the Union Finance Minister has also announced in the budget for 2011-12 that the Short Term Cooperative Rural Credit (Refinance) Fund 2011-12 will have a corpus of Rs. 10,000 crore. Accordingly, RBI has allocated Rs 10,000 crore among various commercial Banks for contributing to the STCRC Fund 2011-12.

(d): The Short Term Refinance (Production Credit) for the last two years and the current year are as follows:

(Rs. crore)

Year	Credit limit sanctioned
2009-10	25,661
2010-11	34,375
2011-12 (upto 31 July 2011)	24,166.97