

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4039
ANSWERED ON:26.08.2011
REFINANCE BY NABARD
Bhujbal Shri Sameer

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any proposal from the Government of Maharashtra regarding refinance from NABARD for the loans disbursed by the Maharashtra State Cooperative Bank during the year 2011-12;
- (b) if so, the details thereof alongwith the terms and conditions of such refinance; and
- (c) the reaction of the Government on such proposal?

Answer

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

(a) to (c): The Maharashtra State Cooperative Bank (MSCB) is not complying with the provision of Section 11(1) of the Banking Regulation Act, 1949 (AACS) as on 31 March, 2010.

In terms of NABARD's extant policy for Short Term (Seasonal Agricultural Operations) (ST SAO) refinance to Cooperative Banks for the year 2011-12, such SCBs are eligible for this refinance against the Govt. Guarantee or pledge of approved/Govt. Securities. Accordingly, Maharashtra SCB had applied for credit limit of Rs. 1,000 crore under ST (SAO) for the year 2011-12 and NABARD has sanctioned a credit limit of Rs. 1,000 crore to Maharashtra SCB for the year 2011-12.