

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4882
ANSWERED ON:02.09.2011
QUESTION REFINANCE BY NABARD
Ponnam Shri Prabhakar

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government of Andhra Pradesh has requested the Union Government to increase the refinance of loans from NABARD to Cooperative Societies from 40 to 60 per cent related to agricultural activities;
- (b) if so, the details thereof and;
- (c) the action taken on such request so far?

Answer

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

(a) to (c): Andhra Pradesh State Cooperative Bank had requested National Bank for Agriculture and Rural Development (NABARD) to enhance the quantum of refinance for crop loaning operations from 45% (current) to 70%.

It was informed to the Andhra Pradesh State Cooperative Bank by NABARD that the Short Term Seasonal Agricultural Operations {ST(SAO)} refinance policy for the year 2011-12 has been framed on the basis of likely crop loan disbursement by the banks and as also the liquidity available with the banks. Further, region specific concessions are provided for additional refinance to certain regions mainly on account of weak financial position of the banks.