

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1670
ANSWERED ON:22.08.2012
FUNDS TO NABARD
Nagar Shri Surendra Singh

Will the Minister of FINANCE be pleased to state:

- (a) the amount of funds that have been provided to NABARD by the Government during the last three years and the current year, State-wise;
- (b) the rate of interest at which loan has been distributed by the NABARD to the farmers, year-wise and State-wise during the said period;
- (c) whether NABARD has distributed loan to farmers as per the targets during the said period;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

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

(a): To strengthen the capital base of National Bank for Agriculture and Rural Development (NABARD) and thereby enhance its borrowing capacity to meet its developmental mandate, the Government of India has approved the proposal for augmenting its capital by infusing equity of Rs 3,000 crore. The Government has released Rs 1000 crore in 2011-12. In 2012-13, so far Rs 500 crore has been released.

(b) to (e): The Interest Subvention Scheme is being implemented by the Government of India since 2006-07 to make short-term crop loans upto Rs. 3 lakh for a period of one year available to farmers at the interest rate of 7 percent per annum. Under the Scheme, Cooperative Banks and Regional Rural Banks are being provided refinance through NABARD so as to lend the farmers at 7% p.a. The rate of refinance to Cooperative Banks and Regional Rural Banks was 4.5% in 2011-12. The State-wise details of refinance budget allocated in the last three years and current financial year are given in Annex-I and Annex-II.