

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1907

ANSWERED ON:08.03.2013

AMENDMENT IN NABARD ACT

Majhi Shri Pradeep Kumar;Patel Shri Kishanbhai Vestabhai

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to amend the National Bank for Agriculture and Rural Development (NABARD) Act, 1981;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has invited suggestions from various stakeholders in this regard;
- (d) if so, the details thereof;
- (e) the extent to which such suggestions have been incorporated in the proposed legislation; and
- (f) the likely effect of such amendments on the objectives/functioning of the NABARD?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (f):- The Government has approved a proposal, in consultation with Reserve Bank of India(RBI) & National Bank for Agriculture and Rural Development (NABARD), for introduction of a Bill, for amending the National Bank for Agriculture and Rural Development Act, 1981, which, inter alia, envisages raising the authorized capital of NABARD from Rs. 5,000 crore to Rs. 20,000 crore and enlarging the meaning of Cooperative Societies to include multistate cooperative societies under any Central law or any other Central or State law relating to cooperative societies. The amendments are also aimed at enhancing/diversifying NABARD's business activities and for providing operational flexibility and autonomy to the organization.