

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2532
ANSWERED ON:04.12.2009
NABARD REFINANCE TO BANKS
Majhi Shri Pradeep Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether National Bank for Agriculture and Rural Development (NABARD) has fixed any target to refinance banks to provide short-term and long-term loans in the current financial year;
- (b) if so, the details thereof:
- (c) the details of funds so far disbursed by the NABARD for the said purpose, bank-wise;and
- (d) the details of short-term and long-term loans released to customers by these banks in the country in the current financial year?

Answer

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

(a) & (b): Targets for ground level disbursement of short term and long term loans of Banks are fixed by the banks themselves. NABARD provides concessional refinance for short term loans issued by Cooperative Banks and Regional Rural Banks (RRBs) in the country at a fixed percentage of crop loans disbursed by these banks. Accordingly, NABARD fixes the refinance target for the year. The refinance budget for financing Short Term Seasonal Agricultural Operations (Crop Loan) fixed by NABARD for the current year(2009-10) for Cooperative Banks and RRBs is Rs.17,000 crore and Rs. 6,000 crore respectively. The concessional short term refinance is provided to Cooperative Banks and RRBs at 4% and 4.5% respectively. NABARD has fixed targets for long term loans in the current financial year at Rs.11,300 crore. The agency-wise breakup is as under:

(Rs. Crore)

Sr. Agency No.	Target for 2009-10
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1 Commercial Banks	6085.50
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2. State Co-operative Agriculture and Rural Development Banks (SCARDBs)	2290.00
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3. State Cooperative Banks (SCBs)	1040.50
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4. Regional Rural Banks (RRBs)	1879.00
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5. Primary Urban Co-operative Banks (PUCBs)	5.00
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Total	11300.00
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(c) & (d): Bank wise details of funds so far disbursed by NABARD for the said purpose are not available centrally. However, the flow of credit to agriculture as collated by NABARD for the last three years and for the current year is as under:-

(Rs. Crore)

Agency	2006-07	2007-08	2008-09	2009-10 (01.04.2009 to (Provis 31.10.2009) ional)
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Cooperative Banks	42,480	48,258	36,762	32,541
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RRBs	20,435	25,312	26,724	19,938
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Commercial Banks	1,66,485	1,81,088	2,23,663	1,07,650
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Total	2,29,400	2,54,658	2,87,149	1,60,129
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