

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1284  
ANSWERED ON:18.07.2014  
NABARD ASSISTANCE TO COOPERATIVE BANKS  
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**Will the Minister of FINANCE be pleased to state:**

- (a) whether the National Bank for Agriculture and Rural Development (NABARD) has launched/proposes to launch any scheme for providing financial assistance to cooperative banks operating in the rural areas of the country;
- (b) if so, the details thereof along with the purpose for which such assistance is provided; and
- (c) the details of such assistance provided during each of the last three years and the current year, State-wise?

**Answer**

The Finance Minister (Shri Arun Jaitley)

(a) to (c) : The National Bank for Agriculture and Rural Development (NABARD) provides short term refinance to State Cooperative Banks (StCBs) in respect of eligible District Central Cooperative Banks (DCCBs) for financing Seasonal Agricultural Operations (SAO), marketing of crops, financing of weavers societies, etc. NABARD also provides long term refinance (investment credit) to StCBs on behalf of DCCBs for their term lendings under farm and non-farm activities. Besides, NABARD also extends long term refinance assistance to State Cooperative Agriculture & Rural Development Banks (SCARDBs) towards their lending for investment credit.

State-wise details of the refinance provided to StCBs and SCARDBs during the last three years and the current year upto 30th June, 2014 are given in Annexures - I, II & III.

NABARD has also a fund namely Cooperative Development Fund (CDF) through which the efforts of Cooperative Credit Structure towards deposit mobilization, human resource development aimed at achieving better working results, streamlining the systems and procedures, conduct of special studies, etc. are supported by way of grants/grant-cum-loans/loans. This assistance is extended for various purposes, viz., Training to Cooperative Credit Societies' (CCS) Staff, Infrastructure Facilities,

Exposure visits, Primary Agriculture Credit Societies (PACS) Development Cell Scheme, etc. As on 31.3.2014, the total contribution made by NABARD to CDF was Rs.207.09 crore and disbursement to all States for various purposes was Rs.113.55 crore.

Besides, NABARD also provides grant assistance to Cooperative Banks operating in rural areas of the country. Grant assistance is extended to Cooperative Banks for promotion, nurturing & credit linkage of Self Help Groups (SHGs). As on 30th June, 2014, the total grant assistance for promotion and credit linkage of SHGs has been sanctioned to to 167 DCCBs amounting to Rs.1473.413 lakh.

In addition, assistance is also provided to Cooperative Banks from Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF) set up in NABARD for various financial inclusion initiatives, such as Cost of RuPay Debit Cards (including printing and issuing) upto Rs. 25/- per card, Cost of integration between Micro ATMs/ POS terminals and CBS Server of the bank, Cost of Micro ATMs/ POS terminals upto Rs.25,000/- per device, Operational support for ATMs (without Capital Expenditure), Setting up of Financial Literacy Centres (FLCs) by Cooperative Banks, Providing Mobile Van for demonstration of banking technology, etc.