

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2531
ANSWERED ON:25.07.2014
CROP LOANS FROM NABARD
Patil Shri Bheemrao Baswanthrao

Will the Minister of FINANCE be pleased to state:

- (a) whether the National Bank for Agriculture and Rural Development (NABARD) has any policy for crop loans; and
- (b) if so, the details thereof and the amount disbursed by NABARD under the policy to the farmers during the last three years and current year State-wise including Telangana?

Answer

The Minister of State in the Ministry of Finance (Smt. Nirmala Sitharaman)

(a) & (b) : The National Bank for Agriculture & Rural Development (NABARD) has informed that it has framed the crop loan policy for uninterrupted flow of credit at ground level and to supplement funds of Cooperatives and Regional Rural Banks (RRBs), by providing refinance support to State Cooperative Banks (StCBs) and RRBs against the crop loans provided by them. As reported by NABARD, the salient features of NABARD's Short Term (Seasonal Agricultural Operations) policy for the year 2014-15 are as under :

The refinance is provided to StCBs, RRBs at a concessional rate of interest at 4.5% p.a. subject to the condition that the crop loans to the farmers upto Rs.3.00 lakhs be made available at 7%.

The quantum of refinance to Cooperatives is 40% to 70% of the Realistic Lending Programme of the bank and depends upon the NPA level of banks besides backwardness of the Region. The quantum is higher in states of Eastern Region and 28 district of Eastern U.P. and highest in North Eastern Region(NER), J & K, Sikkim, HP, Utrakhand and A & N islands.

For RRBs, the refinance is provided between 25% and 55% of the Realistic Lending Programme of the bank and depends upon the NPA level of banks besides backwardness of the Region. The quantum is higher in states of Eastern Region and 28 district of Eastern U.P. and highest in NER, J&K, Sikkim, HP, Uttarakhand and A & N islands.

The amount of refinance released by NABARD to Cooperatives and RRBs for Short Term (Seasonal Agricultural Operations) loans during the year 2013-14 & 2014-15 are given in Annexure - I & II respectively.