

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7029

ANSWERED ON:08.05.2015

COOPERATIVE BANKS AND REGIONAL RURAL BANKS

Kateel Shri Nalin Kumar;Sreeramulu Shri B.;Suresh Shri Doddaalahalli Kempegowda

Will the Minister of FINANCE be pleased to state:

- (a) the number of Cooperative Banks and Regional Rural Banks in the country, State-wise including Karnataka;
- (b) the loan amount disbursed through the said banks to farmers under the crop loan scheme during the last three years, bank and State-wise;
- (c) whether the said banks have suffered any losses on account of crop loan extended to farmers;
- (d) if so, the details thereof, bank-wise;
- (e) whether the Government has any proposal to provide concessional re-finance to the said banks; and
- (f) if so, the details thereof and the steps taken by the Government thereon?

Answer

The Minister of State in the Ministry of Finance (Shri Jayant Sinha)

(a) The number of State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs) stood at 32 and 370 respectively as on 31.03.2014. As on date, the number of Regional Rural Banks (RRBs) in the country is 56. The State-wise details of Cooperative Banks & RRBs, including Karnataka, are given in Annexure-I & II respectively.

(b): The details of the crop loan amount disbursed through the Cooperative Banks and RRBs to farmers during the last three years, as per the information received from the National Bank for Agriculture & Rural Development (NABARD), are given in Annexure-III.

(c) to (f): In order to provide short term agriculture credit to farmers at affordable interest rates, the Government of India has, since 2006-07, been implementing the Interest Subvention Scheme under which short-term crop loans upto Rs.3 lakh are made available to the farmers at an interest rate of 7% p.a. by the banks. Further, in case of prompt repayments of such loans, an additional subvention of 3% is given, which reduces the effective interest rate for such farmers to 4%. For implementation of Interest Subvention Scheme, banks including Short Term Cooperative Credit Structure (STCCS) and RRBs, are given a subvention of 2% by the Government in respect of their own involved funds.

The Cooperative Banks of STCCS as well as RRBs get short term refinance from the National Bank for Agriculture & Rural Development (NABARD) at the concessional rate of 4.5% under the provisions made by the Government through Short Term Cooperative Rural Credit (STCRC) Fund and Short Term RRB Fund.