

Government of India
Ministry of Finance
Department of Financial Services
LOK SABHA

Unstarred Question No. 2009

To be answered on Friday, December 29, 2017/Pausha 08, 1939 (Saka)

SCARDBs

2009. SHRI S.R. VIJAYAKUMAR: SHRI SUDHEER GUPTA: SHRI GAJANAN KIRTIKAR: SHRI NARANBHAI KACHHADIYA: SHRI BIDYUT BARAN MAHATO.

Will the Minister of FINANCE be pleased to state:

- (a) the number of State Cooperative Agriculture and Rural Development Banks (SCARDBs) along with their branches that are existing and functioning in the country at present, State/UT-wise;
- (b) whether the Government is aware that the SCARDBs in the country are on the verge of closure due to their poor financial conditions;
- (c) if so, the details of SCARDBs which are closed down due to their poor financial conditions, State/UT-wise;
- (d) whether the Government has conducted voluntary inspection of SCARDBs to assess their financial health and suggest corrective measures and if so, the details thereof;
- (e) the details of the scheme formulated by the Government for their revival so far; and
- (f) the steps taken/being taken by the Government to revive the closed SCARDBs in the country?

Answer

The Minister of State in the Ministry of Finance
(Shri Shiv Pratap Shukla)

(a) to (f): As reported by National Bank For Agriculture and Rural Development (NABARD), as per 56th Annual Report 2015-16 & 2016-17 of National Cooperative Agriculture and Rural Development Bank Federation (NCARDBF), the details of functional State Cooperative Agriculture and Rural Development Banks (SCARDBs) are as under:

S N	Particulars	2014-15	2015-16
1	No. of SCARDBs		
	I Fully Functional	13	13
	No. of Branches	610	616
	II Others	4	4
	III No Business	3	3
2	No. of SCARDBs in profit	9	10
3	No. of SCARDBs in losses	4	3
	I Fully Functional	Haryana, Himachal Pradesh, J&K, Punjab, Rajasthan, Tripura, West Bengal, Uttar Pradesh, Gujrat, Karnataka, Kerala, Tamil Nadu & Puducherry	
	II Others	Manipur (Defunct), Chhatisgarh (Merged with ST structure), Maharashtra (Under Liquidation), Madhya Pradesh (Under Liquidation)	
	III No Business in Last 3 Years	Assam, Bihar, Odisha	

NABARD has informed that with respect to financial position as on 31.03.2016, inspection of 10 SCARDBs was conducted. Based on the performance/ financial position of SCARDBs, "Letter of supervisory concern" were also issued to the Cooperation Department of the respective State Government and the Bank concerned for initiating corrective action.

In order to infuse liquidity into SCARDBs, NABARD provides refinance to eligible SCARDBs. The Long Term Rural Credit Fund (LTRCF) was set up in 2014-15 with NABARD out of the shortfall in Priority Sector lending target of scheduled commercial banks, to provide long term refinance to Cooperative Banks and Regional Rural Banks at reduced interest rate for their long term investment credit lending in agriculture.