

Government of India
Ministry of Finance
Department of Financial Services
LOK SABHA
Unstarred Question No. 1539
To be answered on Monday, July 01, 2019/Ashadha 10, 1941 (Saka)
Loan by Cooperative Banks

1539. SHRI RAM MOHAN NAIDU KINJARAPU:

Will the Minister of FINANCE be pleased to state:

- (a) whether the percentage of loans disbursed by cooperative banks in the agriculture sector has increased over the last few years;
- (b) if so, the details thereof including targets set and achievements made against the targets, State-wise including Andhra Pradesh;
- (c) whether the Government has identified any constraints being faced by cooperative banks in disbursing loans; and
- (d) if so, the details thereof including action taken by the Government in this regard?

Answer
The Finance Minister
(Smt Nirmala Sitharaman)

(a) and (b): National Bank for Agriculture and Rural Development (NABARD) has reported that agriculture credit disbursed by Cooperative Banks in the agriculture sector has increased from `1,42,758 crore in 2016-17 to `1,50,321 crore in 2017-18. It has further increased to `1,53,882 crore in 2018-19.

State-wise agriculture credit disbursement target and achievement of Urban Cooperative Banks for the last three years are furnished in Annexure.

(c) and (d): To enable Cooperative Banks to meet the crop loan and term loan requirements of farmers, Government has set up two Funds in NABARD, to be met out of the shortfall in priority sector lending targets by commercial banks, as under:

- i. Short Term Cooperative Rural Credit (Refinance) Fund: Through this Fund NABARD provides concessional short term refinance to Cooperative Banks for their crop loan lending. Such refinance is given to banks at an interest rate of 4.5% per annum, provided the banks lend to the ultimate borrower at an interest rate of 7% per annum upto an amount of `3 lakh per borrower. An amount of `45,000 crore has been allocated for the said Fund during 2018-19.
- ii. Long Term Rural Credit Fund (LTRCF): This fund has been set up for the purpose of providing long term refinance support to Cooperative Banks and Regional Rural Banks at concessional rate of interest for their lending towards investment activities in agriculture. Government has allocated additional resources of `15,000 crore to this Fund during 2018-19.

Besides, the Government has taken the following measures to revive the Short Term Cooperative Credit Structure (STCCS):

a. Based on the recommendation of Vaidyanathan Committee, Government implemented a revival package for Short Term Cooperative Credit Structure (STCCS) encompassing legal and institutional reforms, measures to improve the quality of management and financial assistance as necessary for their democratic, self-reliant and efficient functioning. Under the revival package, Government of India released `9,245 crore.

b. Recognizing the need to revamp ailing Cooperative Banks so that they are able to cater to the needs of farmers at their doorstep, the Union Government in 2014 announced implementation of the Scheme for Revival of 23 Unlicensed DCCBs in four States and the entire share of Union Government amount to `673.29 crore under the Scheme has been released to NABARD for onward transmission to Cooperative Banks as per scheme provisions.

The scheme guidelines prescribed achievement of certain deliverables by DCCBs which, inter alia, included attainment of the minimum level of CRAR, reduction of NPA level, enhancement deposits, building up strong Management Information System (MIS) and implementation of Core Banking Solution (CBS) etc.

Lok Sabha Unstarred Question No. 1539 for 01.07.2019

Agriculture Credit Disbursement Target and Achievement of Cooperative Banks (Rs. Lakhs)

Annexure

S.No.	State/UT	2016-17		2017-18		2018-19(Provisional)	
		Target	Disbursement	Target	Disbursement	Target	Disbursement
1	DELHI	800.00	716.91	1,200.00	498.01	1,000.00	380.08
2	HARYANA	10,45,000.00	9,74,697.67	8,35,000.00	10,07,480.70	8,50,900.00	10,49,089.03
3	HIMACHAL PRADESH	1,25,000.00	1,42,724.20	1,45,000.00	9,20,885.45	1,35,200.00	3,81,538.75
4	JAMMU & KASHMIR	30,000.00	955.07	25,000.00	1,413.92	25,800.00	2,587.74
5	PUNJAB	18,80,000.00	13,55,701.59	17,20,000.00	9,48,491.92	17,41,800.00	9,55,150.43
6	RAJASTHAN	18,10,000.00	14,13,031.10	18,50,000.00	14,72,578.81	19,31,900.00	13,24,528.54
7	CHANDIGARH UT	0.00	0.00	0.00	0.00	0.00	0.00
8	ARUNACHAL PRADESH	1,100.00	4,823.28	10,600.00	2,065.06	12,600.00	479.17
9	ASSAM	15,000.00	1,388.88	12,000.00	1,895.13	14,400.00	2,111.77
10	MANIPUR	1,100.00	467.32	2,200.00	1,878.43	2,600.00	4,074.24
11	MEGHALAYA	5,500.00	3,291.71	6,500.00	3,439.38	7,800.00	2,127.93
12	MIZORAM	3,300.00	1,450.54	3,500.00	1,293.99	4,200.00	1,454.50
13	NAGALAND	5,000.00	3,498.72	6,200.00	8,788.03	7,400.00	4,031.63
14	SIKKIM	2,400.00	1,415.73	2,800.00	357.97	3,400.00	475.61
15	TRIPURA	25,300.00	7,439.39	27,000.00	27,347.93	31,400.00	23,662.87
16	A & N ISLAND	4,800.00	3,821.54	6,000.00	2,760.38	7,000.00	1,222.59
17	BIHAR	80,000.00	34,215.00	95,000.00	2,54,800.00	98,800.00	85,694.00
18	JHARKHAND	35,500.00	323.30	20,000.00	323.17	22,600.00	671.91
19	ODISHA	8,20,000.00	10,31,843.99	9,70,000.00	11,12,478.38	10,29,700.00	12,97,160.69
20	WEST BENGAL	4,77,000.00	3,47,417.63	5,75,000.00	3,99,156.60	5,95,400.00	4,51,963.27
21	CHHATTISGARH	2,60,000.00	3,31,845.85	2,50,000.00	4,39,700.30	2,50,600.00	3,70,078.92
22	MADHYA PRADESH	13,00,000.00	11,87,786.06	13,33,000.00	12,78,750.35	14,05,800.00	13,21,469.01
23	UTTARAKHAND	1,60,000.00	56,235.84	1,10,000.00	1,26,044.47	1,00,600.00	1,28,925.34
24	UTTAR PRADESH	7,50,000.00	6,46,630.72	11,50,000.00	3,93,281.94	13,07,000.00	5,57,290.12
25	GOA	13,500.00	3,751.40	13,500.00	3,422.88	15,100.00	3,302.47
26	GUJARAT	12,55,000.00	12,91,123.61	14,70,000.00	13,75,967.88	14,30,600.00	14,22,615.77
27	MAHARASHTRA	18,11,500.00	17,11,569.74	17,15,000.00	11,88,537.43	17,50,700.00	12,92,799.12
28	D & N HAVELI UT	300.00	158.00	600.00	0.00	700.00	0.00
29	DAMAN & DIU UT	700.00	0.00	700.00	0.00	800.00	0.00
30	ANDHRA PRADESH	7,52,500.00	9,62,034.26	9,00,000.00	11,08,557.30	10,02,600.00	11,57,166.31
31	TELANGANA	4,55,000.00	5,93,381.17	5,00,000.00	5,65,750.56	6,67,400.00	5,60,829.67
32	KARNATAKA	7,60,000.00	11,91,670.75	8,12,500.00	11,61,912.63	8,49,600.00	11,28,066.14
33	KERALA	3,38,000.00	4,29,046.62	3,55,000.00	4,77,199.81	5,04,100.00	3,98,733.95
34	PUDUCHERRY	2,700.00	306.92	1,700.00	217.03	1,800.00	795.12
35	TAMILNADU	7,74,000.00	5,41,065.48	6,75,000.00	7,44,837.80	6,88,700.00	14,57,719.66
36	LAKSHADWEEP UT	0.00	0.00	0.00	0.00	0.00	0.00
	GRAND TOTAL	150,00,000.00	142,75,829.99	156,00,000.00	150,32,113.64	165,00,000.00	153,88,196.35
	Source: NABARD						