

16th July, 1998. The Company has been advised by RBI on 4th October, 1999 that the progress reported for the June, 1999 quarter is not upto the desired extent in the areas concerning recovery of NPAs, sale of non-productive real estates, closure of loss making subsidiaries, reduction in management expense, rationalization of staff, increase in productivity etc. The Company has further been advised to explore avenues to raise its capital base. A comprehensive inspection addressing all the supervisory concerns as well as the quality and quantity of achievements under the turn around plan has since been undertaken by RBI.

Branch of Commercial Bank at Banka and Godda in Bihar

2065. SHRI JANARDAN YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact the there is no branch of commercial bank at Banka and Godda districts in Bihar; if so, the reasons therefor;

(b) whether Government proposed to make any action plan for the extension of banking facilities in the hilly region in Bihar; if so, the details thereof; and

(c) whether Government propose to open a branch extension counter of commercial bank and others at Godda and Banka?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) As on the last Friday of March 1999, 61 offices of commercial banks were functioning in Banka District and 58 offices in Godda District of Bihar.

(b) and (c) Under the Extant Branch Licensing Policy of Reserve Bank of India, the decision for opening branches at a particular center including in the hilly regions has been left to the discretion of the banks themselves, subject to getting prior licence from RBI.

Achievements of NABARD

2066. SHRI NILOTPAL BASU:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of FINANCE be pleased to state:

(a) the deposit and credit disbursed by the NABARD in the last three financial years;

(b) the highlights of Bank's achievements during the period with special reference to infrastructure building and employment generation;

(c) whether the present focus will be sustained if the RBI does not pick up Government equity when it is off-loaded in line with similar public sector institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) National Bank for Agriculture and Rural Development (NABARD) receives Deposits under Rural Infrastructure Development Fund, Tea Deposit Scheme and Priority Sector Deposits Scheme. The details of the amount received by NABARD as deposits during the last three years under these schemes are given below:

(Rs. Crore)

Scheme	1996-97	1997-98	1998-99
Rural Infrastructure Development Fund	1042.30	1007.04	1337.95
Tea Deposit Schemes	27.25	26.41	141.87
Priority Sector Deposits Scheme	170.24	—	—

NABARD, as a refinancing agency, has also disbursed credit under short term, medium term, long term lending and RIDF to various States. The details of the credit disbursed by NABARD during the last three years under these schemes are given below:

(Rs. Crore)

Scheme	1996-97	1997-98	1998-99
Short Term Loan (Cooperatives)	4794.90	4998.74	5060.27 284.25
Medium Term Loan (Cooperatives)	57.73	278.96	

Scheme	1996-97	1997-98	1998-99
Loans to State Govts.	76.83	139.80	40.3
Short Term (RRBs)	907.31	1001.14	1165.95
Medium Term (RRBs)	12.48	8.58	34.98
Long Term Loans	3523.09	3921.89	4520.09
RIDF	1088.65	1008.09	1311.10

(b) NABARD as an apex refinance bank provides refinance assistance to cooperative banks, regional rural banks, commercial banks and other institutions approved by RBI for extending credit facilities to farm and non-farm sector activities in the country. The refinance support to the cooperative structure has been on the increase from Rs. 6049.38 crore in 1996-97 to Rs. 6823.56 crore in 1998-99. NABARD's sanction under RIDF has also been on the increase from Rs. 2625.58 crore during 1996-99 to Rs. 3134.61 crore in 1998-99. The cumulative sanction under RIDF-I to IV aggregated Rs. 10269.68 crore till March, 1999. NABARD has also set up a Watershed Development Fund with a contribution of Rs. 100 crore and a matching contribution from Government during 1998-99, to be utilized for loans to the state Governments for watershed development. The estimated employment generation out of refinance provided by NABARD for all these above activities is as under:

(Lakh mandays per annum)

Year	No. of jobs(in Lakh)
1995-96	17.27
1996-97	19.15
1997-98	19.14

In addition, the assistance provided by NABARD to State Government under RIDF has also helped substantially in employment generation in rural areas.

(c) There is no such proposal presently under consideration.