

that Global Participatory Notes (GPN) are one of the main causes of the generation of black money.

- (b) No proposal is under consideration at present for abolition of GPN.
- (c) Does not arise.

**Losses incurred by co-operative credit societies**

†1464. SHRI ASHK ALI TAK: Will the Minister of FINANCE be pleased to state:

- (a) whether cooperative credit structure is losing relevance since the short term loan being disbursed at concessional rate to the farmers in accordance with the announcements of the Government;
- (b) if so, the details thereof, State-wise;
- (c) whether Government intends to recompensate the loss incurred on disbursement of short term loan at concessional rate to the farmers through short term cooperative credit structure; and
- (d) if so, the amount of loss to be recompensed and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) The cooperative credit structure is playing an important role in extending agriculture credit to farmers. The number of farmers getting credit facility from the Cooperative Banks is increasing over the years. As per the data received from National Bank for Agriculture and Rural Development (NABARD), the details of agricultural loan accounts of Cooperative Banks for the last 6 years are given below:

Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Number of Loan Accounts (No. in lakh)	178.18	203.92	242.21	308.97	311.28	321.37

(c) and (d) Losses incurred by the Short Term Cooperative Credit Structure (STCCS) on account of disbursement of short term crop loans at concessional rates have not come to the notice of the Government. In order to provide credit to farmers at affordable interest rates, the Government of India, has since 2006-07, been implementing the Interest

†Original notice of the question was received in Hindi.

Subvention Scheme under which short-term crop loans upto ₹ 3 lakh are made available to the farmers at an interest rate of 7% p.a. by the banks, for which banks (including Cooperative Banks) are given a subvention of 2% by the Government in respect of their own funds. The Cooperative Banks also get short term refinance from the NABARD at the rate of 4.5% to the extent of 50% of ground level credit flow. Thus, in cases where the short term crop loan disbursement by Cooperative Banks is covered by NABARD's refinance, the Cooperative Banks get an interest spread (margin) of 2.5%.

#### **Dividend payouts by PSBs**

1465. DR. V. MAITREYAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government has any dividend payout policy for the Public Sector Banks (PSBs) and is there any upper ceiling limit in the dividend payout;

(b) if so, the details thereof and the details of the dividend paid to Government by the PSBs over the last three years, year-wise and Bank-wise; and

(c) the details of the dividend paid to the investors and share-holders by these banks over the last three years, year-wise and bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) As per the extant guidelines of the Government, the banks are required to pay a minimum dividend of 20% of their equity (*i.e.* paid up capital) or 20% of their post tax profits, whichever is higher. In case any Bank is not able to pay the minimum dividend as stated above, it is required to seek specific prior permission of the Government at the earliest. Reserve Bank of India guidelines dated 4th May, 2005 on "Declaration of Dividends by Banks", stipulates a maximum payout ratio of 40% according to a matrix based on the Capital to Risk Weighted Assets Ratio (CRAR) for the last three years and the Net Non-Performing Assets (NPA) ratio.

(b) and (c) The details of dividend paid by PSBs to the Government and other share holders during the last three years is given in the Statement.