

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1066
ANSWERED ON:28.07.2000
LOAN BY NABARD TO BIHAR
MOHAMMED SHAHABUDDIN

Will the Minister of FINANCE be pleased to state:

- (a) whether the loan sanctioned to Bihar by NABARD is very scanty in comparison with other States;
- (b) if so, the reasons therefor; and
- (c) if not, the State-wise details of loan sanctioned by NABARD during the last three years for various projects?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) and (b) As reported by National Bank for Agriculture and Rural Development (NABARD) the details of short-term and long-term disbursements in the State of Bihar for the year 1999-2000 are as under :-

(Rs.Crore)

All-India Bihar

Limit	Amount	Out	Limit	Amount
Sanctioned	standing		Sanctioned	Outstanding

Short-term	8163.19	6687.10	88.53	73.99
Long-term	- 5208.29	- 175.90		

It may be observed from the above (table) that the disbursements in Bihar are comparatively low.

The reasons for lower flow of short term credit limits to banks in Bihar, inter-alia, are attributed to poor recovery performance of the Co-operative Banks in the State of Bihar resulting in huge defaults by most of the Primary Agricultural Credit Societies (PACS) to District Central Cooperative Banks (DCCBs) and in turn most of the DCCBs to Bihar State Co-operative Bank (SCB). The resources of Co-operative banks have been locked up in overdues and hence the credit flow at the ground level for agricultural operations through Co-operatives has been declining.

(c) Does not arise in view of (b).