

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2100
ANSWERED ON:04.08.2000
NABARD LOAN
AJAY SINGH CHAUTALA

Will the Minister of FINANCE be pleased to state:

- (a) whether NABARD has sanctioned, funds to improve rural infrastructure in the country;
- (b) if so, the details thereof, State-wise; and
- (c) the terms and conditions on which the said funds have been provided?

Answer

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

- (a) and (b) Yes, Sir. State-wise and year-wise sanctions and disbursement made by National Bank for agriculture and Rural Development (NABARD) under Rural Infrastructure Development Fund (RIDF) since 1995-96 are given in the enclosed statement.
- (c) Loans to State Governments under RIDF are project-specific. The terms and conditions regarding loans provided to State Governments under RIDF-I to VI are as under:

RIDF	Rate of interest on loans (percent per annum)	Period of loan
I	13.0	Upto 5 years
II	12.0	5 years
III	12.0	5 years
IV	12.0	5 years
V	12.5	7 years
VI	11.5	7 years

The State Governments are required to furnish irrevocable letter of authority in favour of Reserve Bank of India authorising it to debit their accounts in the case of default in payment of interest/repayment of principal of loan under RIDF.