

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4242  
ANSWERED ON:15.12.2000  
EQUITY BASE OF NABARD  
AMBATI BRAHMANAIAH

**Will the Minister of FINANCE be pleased to state:**

- (a) the present equity of NABARD;
- (b) whether the Government propose to increase the equity base of NABARD; and
- (c) if so, the details thereof alongwith the reasons therefor?

**Answer**

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

(a) The present equity of National Bank for Agriculture and Rural Development (NABARD) as per NABARD Act, 1981 is Rs. 500 crore, contributed by Reserve Bank of India (RBI) and Government in equal proportion. However, RBI and Government of India have contributed another Rs. 1500 crores as 'Advance towards Capital' pending amendments to NABARD Act, 1981.

(b) and (c) Government has decided to increase the authorised capital of NABARD to Rs. 5000 crore. An amendment bill in this regard is proposed to be introduced in the current session of Parliament. The main reason for increasing the equity base of the NABARD is to enable it to discharge its role and functions effectively.