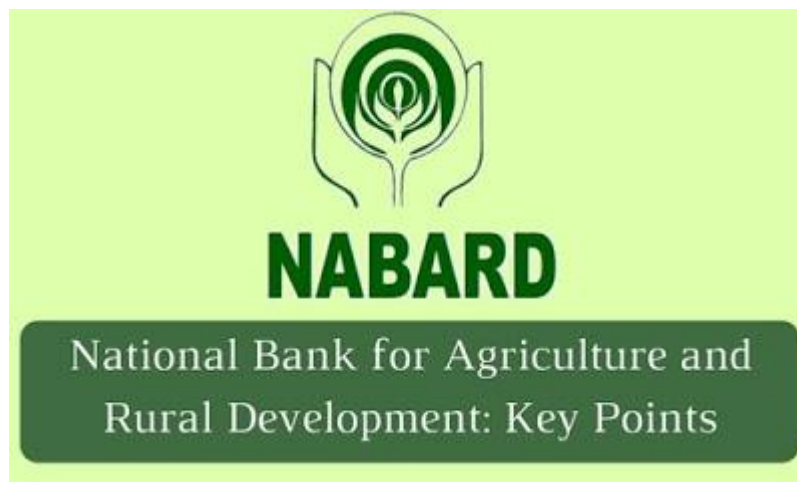


NABARD : Important Facts



Introduction

- "NABARD" means 'National Bank for Agriculture and Rural Development'.
- NABARD is an apex level bank set up by GOI(Government of India) with an instruction of providing credit flow for the promotion and development of agriculture, cottage, village and other small scale industries in the country.
- It is not a wholly own subsidiary of RBI now because RBI sold 99% of its stake to GOI.
- Its headquarter is in Mumbai, India.
- It has 336 district offices across the country.
- Chairman of NABARD is Dr. Harsh Kumar Bhanwala.

History of NABARD

- On 30th march 1979, GOI and RBI constituted a committee under the Chairmanship of Shri B.Sivaraman to review the arrangements for institutional credit for agriculture and rural development (CRAFICARD).
- The Sivaraman committee submitted a report on 28th November 1979 stated that there is a need for a new institution which will cater the supply of credit flow for the development of rural area.
- Through Act,61 of 1981, The Parliament approved the setting up of NABARD and NABARD came into the existence on 12th July 1982.
- NABARD was initially started with an amount of Rs100 crore.

Mission

- Promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives

Role

- The main role of NABARD is to provide and manage credit flow for the development of the rural area.

Types of loans provided by NABARD

Short term loans

These types of loans are provided for production purposes at reduced rate of interest to the RRBs(Regional Rural Banks) and SCBs(State Cooperative Banks). Then RRBs and SCBs provide the credit as loans to the needy ones for different purposes such as:

- Seasonal agricultural operations
- Marketing of crops
- Fisheries Sectors
- Industrial Cooperative Societies (other than weavers)
- Purchases, Stocking and Distribution of Chemical Fertilizers and other Agricultural Inputs.

Medium term loans

- These types of loans are generally the extended period of short term loans. When crops are damaged, the banks give them extra period of time for re-payment of loans.

Long term loans

- These types of loans are generally for the period of 3-15 years. These loans are generally taken by small scale industries, non farm sector, handicrafts, handlooms, power looms etc.

Eligible institutions for refinancing the long term loans are:

- RRBs
- SCBs
- Commercial Banks (CBs)
- State Co-operative Agriculture & Rural Development Banks (SCARDBs)
- Non-Banking Financial Companies (NBFCs)
- State Agricultural Development Finance Companies (ADFCs)
- Scheduled Primary Urban Co-operative Banks (PUCBs)
- North East Development Finance Corporation (NEDFC).

Quick Facts

Name of organization	NABARD(National Bank for Agriculture and Rural Development)
Function	Manage and provide credit flow for the development of rural areas.
Founded on	12th July 1982
No of district offices	336
Website	www.nabard.org

Chairman	Dr. Harsh Kumar Bhanwala
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