

NABARD

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In News

National Bank for Agriculture and Rural Development (NABARD) was **established on 12 July 1982 by an Act of the Parliament**. NABARD, as a **development bank**, is mandated for providing and regulating credit and other facilities for the promotion and development of agriculture, small scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas with a view to **promoting integrated rural development and securing prosperity of rural areas**.

More About NABARD

- NABARD is **wholly owned by the Government of India**.
- NABARD came into existence by **transferring the agricultural credit functions of RBI and refinance functions of the then Agricultural Refinance and Development Corporation (ARDC)**.
- NABARD, with its Head office at Mumbai, has 31 Regional Offices and 3 Training Establishments in the Northern, Eastern & Southern parts of India.

Functions of NABARD

▪ Financial Functions

. It provides **short term and medium term loans to Regional Rural Banks, Central Cooperative Banks and State Cooperative Banks** and other institutions involved in agriculture and rural development.

. It provides **long term loans to the agriculture and allied activities**, artisans, small scale industries, handicrafts and other non form sectors.

. It **directly finances the warehouses, cold storage and cold chain infrastructures and food parks and food processing units.**

. Loans to State Governments for developing rural infrastructure and strengthening the cooperative credit structure.

▪ **Development Functions**

. **Assist in policy formulation** of GoI, RBI and State Governments on matters related to agricultural credit and rural development.

. **Institutional development and capacity building** of Cooperatives and Regional Rural Banks (RRBs) to strengthen the rural credit delivery system.

. **Statutory inspection** of Regional Rural Banks (RRBs), State Cooperative Banks and District Central Cooperative Banks (DCCBs), voluntary inspection of State Cooperative Agriculture and Rural Development Banks (SCARDBs) and their off-site surveillance.

. Thrust on promotion of livelihood opportunities and micro enterprises.

Programs Under NABARD

- Dairy Entrepreneurship Development Scheme
- Agriclinic and Agribusiness Centres Scheme
- National Livestock Mission
- Interest Subvention Scheme