



**NABARD**

**NATIONAL BANK FOR AGRICULTURE AND  
RURAL DEVELOPMENT**

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**PRESS RELEASE**

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**NABARD State Focus Paper 2010-11 Launched**

The State Credit Seminar was held on 12 January 2010 at NABARD, Head Office, Mumbai to discuss the State Focus Paper (SFP) on the projected credit plan of the State prepared by NABARD for the year 2010-11. The seminar was graced by Hon'ble Chief Minister, Shri Ashok Chavan, Government of Maharashtra, Shri U C Sarangi, Chairman of NABARD, Dr. K.G Karmakar, Managing Director of NABARD, Shri NB Patil, IAS, Principal Secretary, Agriculture Department, Govt of Maharashtra, Dr. Amarendra Sahoo, Chief General Manager of Reserve Bank of India, Shri V E Dalvi, General Manager and Convenor of State Level Bankers Committee from Bank of Maharashtra. Senior Officials of the State Government, RBI and senior executives of Commercial, Cooperative and Regional Rural Banks participated in the seminar. Shri P Satish, Chief General Manager, NABARD, Maharashtra Regional Office welcomed the Hon'ble Chief Minister and other dignitaries on the dais, and presented an overview of the credit potentials assessed for the State of Maharashtra for 2010-11 and issues that require attention of the State Government to help banks realise the potential through credit disbursement.

The State Focus Paper suggested for a credit plan size of Rs.34,549 crores for 2010-11 comprising of Rs.21,740 crores to agriculture sector, Rs.4,300 crore for Rural Non Farm Sector and Rs.8,509 crore for Other Priority Sector. The participants of the State Credit Seminar suggested for an enhanced credit plan size of Rs.42,000 crore for the year 2010-11.

Hon'ble Shri Ashok Chavan, Chief Minister of Maharashtra, released the State Focus Paper prepared by NABARD for 2010-11 and inaugurated the State Credit Seminar. In his inaugural address, he commended the initiatives taken by NABARD in the areas of micro credit, village adoption, watershed development, cooperative reforms and rural infrastructure development. He called upon the banks to introspect on the low level of credit disbursement to the rural sector and hoped that the credit plan would be comparable to the other major states of the country. He outlined various policy measures and initiatives being taken by his

Government to build up infrastructure and linkages and improve productivity of various major crops in the State. He informed that his Government would shortly come out with an Agro Industrial policy for value addition to the agriculture, allied and horticulture sectors.

In his keynote address, Shri U C Sarangi, Chairman of NABARD lamented that the credit flow to rural sector in general and to the agriculture sector has been stagnating around Rs.15,000 crore to Rs.20,000 crore during the last 5 years. He cited the declining growth rate in disbursement of credit to priority sector by banks, specially the commercial banks. He informed that the share of cooperative banks accounted for Rs.7,500 crore out of Rs.9000 crore disbursed under production credit during the current year. He called upon the commercial banks and RRBs to increase their disbursement to agriculture sector. He also drew the attention of the house regarding low level of finance being disbursed to Self Help Groups. He suggested that the plan size may be revised, keeping in view the increased credit needs of the rural sector, including farmers who had become eligible for fresh finance in the wake of implementation of Debt Waiver Schemes of Government of India and the State Government. As against the aggregate credit plan of Rs.34,549 crore being projected under the State Focus Paper, he suggested that a revised plan of Rs.42,000 crore may be adopted by the Seminar and revised lending targets may be made available to the banks for micro level planning for 2010-11.

Various subject matter specialists of NABARD presented the sectoral papers indicating exploitable potential and credit requirement therefor in their respective sectors as also infrastructure gaps required to be bridged by the State government making adequate budgetary allocations in the ensuing year. The issues and constraints for the development of these sectors were also discussed in order to evolve strategies for achieving the estimated potential indicated in the Credit Plan. The State Focus Paper suggested for a credit plan size of Rs.34,549 crores for 2010-11 comprising of Rs.21,740 crores to agriculture sector, Rs.4,300 crore for Rural Non Farm Sector and Rs.8,509 crore for Other Priority Sector. The participants of the State Credit Seminar suggested for an enhanced credit plan size of Rs.42,000 crore for the year 2010-11.

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