

Role of NABARD (National Bank for Agriculture and Rural Development) in the field of Agricultural Finance in India

It was set up in July 1982. It took over from RBI all the functions relating to credit, and the Agricultural Refinance and Development Corporation (ARDC) was also merged with it.

Functions.

1. It provides refinance facilities for agriculture, small scale industries, artisans, cottage and village industries, handicrafts, and other allied economic activities so that production may be increased.
 2. It can borrow from RBI and the GOI. It can arrange funds from the World Bank and other multilateral and bilateral financial agencies.
 3. It can advance loans up to a period of 20 years to State Governments so that they may participate in the share capital of Co-operative Credit Societies. It can provide credit facilities for short, medium and long term to State Co-operative Banks, Regional Rural Banks and other financial institutions.
 4. It coordinates the work of the GOI, Planning Commission and State Government for village and small scale industries.
 5. It finances research on agriculture and rural development.
 6. It supervises the work of RRBs and Co-operative Banks.
- In this way, NABARD acts as an apex body for the development of agriculture and other activities in rural areas.