

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3191
ANSWERED ON:08.12.2000
ENTRY OF COOPERATIVE SECTOR IN INSURANCE SECTOR
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Will the Minister of FINANCE be pleased to state:

- (a) whether the cooperative banks are excluded from undertaking insurance activity under the norms laid down by the RBI for the entry of commercial banks into insurance sector;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) whether any cooperative bank/ financial institution are financially viable to enter in insurance sector; and
- (d) if so, the steps proposed by the Government to give due representation to cooperative sector banks in insurance sector?

Answer

MINISTER OF STATE FOR FINANCE (SHRI BALA SAHEB VIKHE PATIL)

a) Reserve Bank of India (RBI) has intimated that they have issued guidelines for entry of scheduled commercial banks into insurance business. However, these guidelines are not applicable to cooperative banks.

b, c & d) The information is being collected and shall be laid on the Table of the House.