

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3983
ANSWERED ON:22.08.2003
STATE GUARANTEES TO COOPERATIVE BANKS
VSM (RETD.) COL. CHOUDHARY

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government have asked the Reserve Bank of India to instruct the State Governments not to issue any fresh guarantees to cooperative banks;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) whether the State Governments have been taken into confidence about the directives to be issued by Reserve Bank of India barring State Governments not to issue bank guarantees for cooperative banks; and
- (d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

- (a): No, Sir.
- (b), (c) & (d): Do not arise.