

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1852
ANSWERED ON:09.03.2001
COOPERATIVE BANKING SECTOR
ANANTRAO GUDHE

Will the Minister of FINANCE be pleased to state:

- (a) whether the Jagdeesh Kapoor Committee on co-operative banking has submitted its report to the Government; and
(b) if so, the details of the recommendations made and reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Yes Sir.

(b): The main recommendations made in the Report of the Committee relate to removal of duality of control over the co-operative banks, amendments to the State Co-operative Acts for adoption of the essential features of the Model Co-operative Societies Act, constant review of all guidelines issued by Government; Reserve Bank of India (RBI); National Bank for Agriculture and Rural Development, (NABARD); State Governments, effective supervision and support to lower tiers of co-operative credit system and introduction of audit of cooperatives, rehabilitation of potentially viable units by way of one time assistance, setting up of a mutual assistance fund at state level by contribution from co-operative institutions in the concerned states, etc. The recommendations are being examined in consultation with RBI, NABARD and State Governments.