

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3041
ANSWERED ON:22.03.2002
WEAK COOPERATIVE BANKS
Y.S. VIVEKANANDA REDDY

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India (RBI) has classified 38 cooperative urban banks in Andhra Pradesh as weak banks;
- (b) if so, the details of banks identified as weak banks;
- (c) whether their -Non-Performing Assets exceeded 15 per cent and the erosion of their own funds is 20 per cent;
- (d) if so, whether the RBI has issued directions 10 . 10 cooperative urban banks under the Banking Regulation Act to rectify their functioning; and
- (e) if so, the action taken by these banks thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) :

(a) and (b) The Reserve Bank of India (RBI) has reported that it has classified 43 urban cooperative banks in Andhra Pradesh as weak. The list of such bank is enclosed as Statement.

(c) Yes, Sir.

(d) and (e) RBI has reported that it has issued direction under Section 35A of the Banking Regulation Act, 1949 (As Applicable to Cooperative Societies) to 10 urban cooperative banks in Andhra Pradesh restricting them from incurring any liability or sanctioning/renewing loans/ advances or making payments or discharging any liabilities or obligations except in accordance with the directions contained in the directive in order to arrest further deterioration in their financial position. No violation of these directions has come to the notice of RBI so far.

Statement

List of Urban Cooperative Banks Classified
as Weak in Andhra Pradesh
(As on 20 March 2002)

1. Charminar Cooperative Urban Bank Ltd.
2. First City Cooperative Urban Bank Ltd., Hyderabad.
3. Jawahar Cooperative Urban Bank Ltd., R.R. District.
4. Megacity Cooperative Urban Bank Ltd., Hyderabad.
5. The Star Cooperative Urban Bank Ltd., Hyderabad.
6. The Rajampet Cooperative Town Bank Ltd., Rajampet.
7. Innespeta Cooperative Urban Bank Ltd., Rajahmundry.

8. Armoor Cooperative Urban Bank Ltd., Armoor.
9. Trinity Cooperative Urban Bank Ltd., Vanssthlipuram.
10. The Vasundhara Cooperative Urban Bank Ltd., Hyderabad.
11. Manikanta Cooperative Urban Bank Ltd., Hyderabad.
12. The Jubilee Hills Mercantile Cooperative Urban Bank Ltd., Hyderabad.
13. The Mothyr Theresa Hyderabad Cooperative Urban Bank Ltd., Hyderabad.
14. The Ramachandrapuram Cooperative Urban Bank Ltd.,
Ramachand rapu ram.
15. The Tadpatri Cooperative Town Bank Ltd.
16. Gooty Cooperative Town Bank Ltd., Hyderabad.
17. The Pithapuram Cooperative Urban Bank Ltd.,
Hyderabad.
18. Durga Cooperative Urban Bank Ltd., Hyderabad.
19. The Salur Cooperative Urban Bank Ltd., Salur.
20. The Bellampalli Cooperative Urban Bank Ltd.,
Bellampalli.
21. The Tenali Cooperative Urban Bank Ltd., Tenali.
22. The Seva Cooperative Urban Bank Ltd., Hyderabad.
23. The SirciHa Cooperative Urban Bank Ltd., Sircilla.
24. Palakol Cooperative Urban Bank Ltd., West Godavari
District.
- 25.. The Ongole Cooperative Bank Ltd., Ongole.

26. Jyothi Cooperative Urban Bank Ltd., Hyderabad.
27. The Kovvur Cooperative Urban Bank Ltd., Kovvur.
28. Apna Cooperative Urban Bank Ltd., Punjagutta.
29. Narsaraopet Cooperative Urban Bank Ltd., Guntur.
30. The Secunderabad Mercantile Cooperative Urban Bank Ltd., Secunderabd.
31. Sree Swamy Gynananda Yogeeswara Mahila Cooperative Urban Bank Ltd., Puttur.
32. The Neelakhanta Cooperative Urban Bank Ltd., Hyderabad.
33. Seven Hills Cooperative Urban Bank Ltd., Hyderabad.
34. Vijaya Cooperative Urban Bank Ltd., Hyderabad.
35. Sri Gayatri Cooperative Urban Bank Ltd., Hyderabad.
36. Srinivasa Padmavathi Cooperative Urban Bank Ltd. Saroonagar.
37. Vasavi Cooperative Urban Bank Ltd.
38. Yemmiganur Cooperative Urban Bank Ltd.
39. Dhana Cooperative Urban Bank Ltd., Eluru.
40. Praja Cooperative Urban Bank Ltd., Secunderabad.
41. Sri Bharathi Cooperative Urban Bank Ltd., Hyderabad.
42. Samatha Mahila Cooperative Bank Ltd.
43. Sravya Cooperative Urban Bank Ltd., Hyderabad.