

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:13

ANSWERED ON:17.02.2006

COOPERATIVE CREDIT

Nikhil Kumar Shri ;Patel Shri Kishanbhai Vestabhai

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Vaidyanathan Committee on cooperative credit has submitted its second report;
- (b) if so, the details of the recommendations and decisions of the Government thereon;
- (c) whether a new package has been announced by the Government for the revival of cooperative banks;
- (d) if so, the details thereof and steps taken to implement the new package;
- (e) whether the Union Government has asked the State Governments to sign an MoU to implement cooperative revival package as suggested by Vaidyanathan Committee; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (f): A Statement is laid on the Table of the House.

Statement referred to Parts (a) to (f) of Lok Sabha Starred Question No. 13 To be answered on 17th February 2006, regarding Cooperative Credit, tabled by Shri Nikhil Kumar & Shri Kishanbhai V Patel.

(a) & (b): The Task Force is yet to finalise its Report on the Long Term Cooperative Credit Structure.

(c) & (d): Yes, Sir. After consulting the States on the recommendations of the Task Force on Short Term Co-operative Credit Structure, a revival package has been, approved and sent to the State Governments for acceptance. The revival package includes financial restructuring estimated at Rs. 13,596 crore and envisages several legal and institutional reforms.

(e) & (f): Yes, Sir. State Governments desiring to implement the revival package for Short Term Credit Cooperatives need to agree, through a Memorandum of Understanding (MoU) or Exchange of Letters with Government of India, to implement the recommended legal and institutional reforms and share the financial package.