

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1485  
ANSWERED ON:05.03.2010  
CO-OPERATIVE BANKS  
Adsul Shri Anandrao Vithoba

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

- (a) whether cooperative banks are facing fund crunch during 2009;
- (b) if so, the details thereof;
- (c) the number of cooperative banks winded up across the country during 2009; and
- (d) the amount paid by the Reserve Bank of India (RBI) to the depositors of these cooperative banks depositors to settle their dues?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a) to (d): Reserve Bank of India (RBI) has reported that it has received no requests for refinance from any Urban Cooperative Banks (UCBs) in 2009. The UCBs and their federations have not reported any liquidity problem. RBI has also reported that no State Cooperative Bank or Central Cooperative Bank was wound up during 2009. However, during the year 2008-09, 49 UCBs were wound up, out of which 22 UCBs were merged with other UCBs and the remaining 27 UCBs were taken into liquidation.

During the year 2008-09, the Deposit Insurance and Credit Guarantee Corporation (DICGC) settled an aggregate claim for Rs 228.43 crore in respect of 3,39,920 depositors in 75 UCBs under liquidation.

National Bank for Agriculture and Rural Development(NABARD) has reported that as part of the revival package for the Short Term Cooperative Credit Structure, funds have been released to 37,303 Primary Agriculture Cooperative Societies (PACs) in 11 States. A sizable portion of these recapitalization funds have flown back to the District Central Cooperative Banks (DCCBs) in the form of recovery of their overdues from the PACs, thus improving the DCCBs' liquidity.