

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2712
ANSWERED ON:12.03.2010
SHORT TERM CO-OPERATIVE CREDIT STRUCTURE
Sampath Shri Anirudhan

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has plans/suggestions to improve the short-term co-operative credit structure in the States;
- (b) if so, the details thereof and action taken so far in this regard;
- (c) the details of consultations conducted in this regard and inputs incorporated therefrom; and
- (d) the time by which the benefits will accrue to the co-operative sector?

Answer

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

(a) to (d): The Government of India (GoI) constituted a task force in 2004 under the chairmanship of Prof. A. Vaidyanathan for suggesting an implementable plan for the revival of the cooperative credit institutions. Based on the recommendations of the Vaidyanathan Task Force-I Report, the Government in January, 2006 formulated a revival package for the Short Term Co-operative Credit Structure (STCCS). The package envisaged financial assistance for wiping the accumulated losses as on 31 March, 2004, subject to legal and institutional reforms. The total size of the Package is Rs. 13,597 crores to be shared by GoI, State Governments and the Cooperative Credit Structure (CCS). The package also envisaged training and capacity building, introduction of Common and Standard accounting and monitoring systems and computerization.

Twenty five States have so far executed MoUs with GoI and NABARD for implementing the Revival Package. They are, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Orissa, Punjab, Sikkim, Tamil Nadu, Tripura, Uttarakhand, Uttar Pradesh and West Bengal. These States cumulatively cover more than 96% of the STCCS units in the country.

So far, an aggregate amount of Rs. 7561.39 crore has been released by Government of India to various States through NABARD, the implementing agency.