

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5880
ANSWERED ON:11.05.2012
SHORT TERM COOPERATIVE CREDIT STRUCTURE
Singh Shri Radhey Mohan

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has any plans to improve the short-term cooperative credit structure in the State;
- (b) If so, the details thereof, State-wise including Uttar Pradesh;
- (c) Whether the views of various States especially Uttar Pradesh were sought in this regard;
- (d) If so, the details thereof; and
- (e) If not, the reasons therefor?

Answer

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

(a) & (b) 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-1 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 out 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 the GoI, State Governments and the Cooperative Credit Structure (CCS). The package envisaged amendment to Banking Regulation Act, 1949, training and capacity building, introduction of Common and Standard accounting and monitoring systems and computerization of PACS. The Package is under implementation in 25 States including Uttar Pradesh. State wise details of the release of recapitalization assistance is given in Annex.

(c) & (e): 25 State including U.P. signed an MoU with NABARD for implementation of the revival package.