

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4005
ANSWERED ON:31.07.2009
RECAPITALISATION OF CO OPERATIVE BANKS
Jardosh Smt. Darshana Vikram

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has formulated any scheme for the recapitalisation of cooperative banks; and
- (b) if so, the details thereof?

Answer

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

(a) & (b): To strengthen the rural cooperative credit institutions, the Government of India (GOI) constituted a task force in 2004 under the chairmanship of Prof. A Vaidyanathan. Based on the recommendations of Vaidyanathan Task Force-I Report, Government approved a revival package, with a financial outlay estimated at Rs. 13,596 crore to be shared by Central Government, State Governments and the Cooperative Credit Structure, for Short Term Cooperative Credit Structure (STCCS) throughout the country.

Similarly, based on the recommendations of Vaidyanathan Task Force-II Report, Government of India has after consultation with the State Governments, approved a Revival Package for Long Term Cooperative Credit Structure (LTCCS) with a financial outlay estimated at Rs. 3,070 crore to be shared by Central Government, State Governments and the LTCCS.