

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:865
ANSWERED ON:01.03.2013
LAND DEVELOPMENT BANKS
Ahir Shri Hansraj Gangaram

Will the Minister of FINANCE be pleased to state:

- (a) whether the land development banks in the country are on the verge of closure due to their poor financial conditions;
- (b) if so, the details thereof, State/ UT-wise;
- (c) whether the Government has received proposals from the States for their revival;
- (d) if so, the details thereof, State/ UT-wise including Maharashtra along with the action taken on such proposals so far; and
- (e) the other steps taken/being taken by the Government for revival and strengthening of the said banks?

Answer

The Minister of State in the Ministry of Finance (Shri Namu Narain Meena)

(a) & (b): The credit provided by State Cooperative Agriculture & Rural Development Banks (SCARDBs) in the country, during the last two years is attached as Annex.

(c) & (d): NABARD has received the proposal only from the Government of Chattisgarh for merger of SCARDB with State Cooperative Banks and Primary Cooperative Agriculture and Rural Development Banks(PCARDBs) with Central Cooperative Banks(CCBs).

(e): The Government had constituted a Task Force in January, 2005 to suggest an implementable action plan for reviving the Long-Term Cooperative Credit Structure(LTCCS) in the country which submitted its report in August, 2006. Subsequent to the implementation of Agriculture Debt Waiver and Debt Relief Scheme, 2008, the LTCCS package was revised by the Government. However, the Government decided to have a re-look at the viability and relevance of a separate package for LTCCS and constituted a Task Force in September, 2009 which has submitted its report to the Government. The matter of revival package for LTCCS is under consideration.