

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3144

ANSWERED ON:11.08.2000

NPA OF STATE COOPERATIVE BANKS AND DISTRICT COOPERATIVE BANKS

T.M. SELVAGANAPATHI

Will the Minister of FINANCE be pleased to state:

(a) the total non-performing assets accumulated in States Cooperative Banks and District Cooperative Banks in the country, as on March 31, 1999 and March 31, 2000:

(b) whether the Government have issued any guidelines to these cooperative banks for recovery of non-performing assets; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V.DHANANJAYA KUMAR):

(a) The details of the non-performing assets (NPA) of State Cooperative Banks (SCBs) and District Central Co-operative Banks (DCCBs) in the country for the years 1997-98 and 1998-99, as reported by National Bank for Agriculture and Rural Development (NABARD), are given below:

(Rs. in lakhs)

Year	SCBs	DCCBs
1997-98	230399	568737
1998-99	274793	657293

Data in respect of the year 1999-2000 is not available.

(b) and (c) NABARD has reported that it has been assessing the magnitude of the problem of NPAs in Cooperative Banks and the causes of problem, bank-wise, and suggesting measures to be taken. These banks are specifically advised to take action to streamline the pre-sanction appraisal, methodologies, post-disbursement follow-up measures, etc. Besides strengthening measures for recovery of chronic overdues by filing cases before debt recovery tribunals/Co-operative law courts, wherever necessary, the banks have also been advised to go in for compromise and one-time settlement by laying down transparent policies/procedures. The bank specific observations based on analysis undertaken during the course of inspection of banks are incorporated in inspection reports issued to the banks for compliance within a time frame.