

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 3681**  
ANSWERED ON 25.03.2026

**Cooperative credit architecture and financial stability**

**3681** Shri Ashokrao Shankarrao Chavan  
Dr. Anil Sukhdeorao Bonde  
Shri Kesridevsinh Jhala  
Smt. Sangeeta Yadav  
Smt. Seema Dwivedi  
Shri Mithlesh Kumar  
Shri Shambhu Sharan Patel  
Shri Narayana Koragappa  
Shri Mokariya Rambhai  
Shri Subhash Barala  
Shri S. Selvaganabathy

Will the Minister of Cooperation be pleased to state:

- (a) the share of cooperative institutions in total agricultural credit disbursement over the last five years;
- (b) whether stress-testing of cooperative banks has been undertaken in coordination with RBI and NABARD;
- (c) if so, the details thereof;
- (d) whether a long-term recapitalisation or consolidation strategy for enhancement of the cooperative credit architecture is under consideration; and
- (e) if so, the details thereof

**ANSWER**

THE MINISTER OF COOPERATION  
(SHRI AMIT SHAH)

- (a) The share of cooperative institutions in total agricultural credit disbursement over the last five years is given below:

FY	Total agriculture credit disbursed by all agencies (Rs. crore)	Agriculture Credit disbursed by Rural Cooperative Banks (Rs. crore)	Share of Rural Cooperatives in credit disbursed (%)
2024-25	28,66,880	2,57,687	9
2023-24	25,48,635	2,42,008	9.5
2022-23	21,55,163	2,36,349	11
2021-22	18,63,363	2,43,220	13
2020-21	15,75,398	1,90,682	12

*Data Source: Data submitted by banks on ENSURE portal of NABARD*

(b) & (c) On 28.11.2025, the RBI issued Master Directions for Cooperative Banks (RCBs & UCBs) on Asset Liability Management, which include Liquidity Risk Management and Interest Rate Risk Management both integral components of stress testing.

(d)&(e) RBI and NABARD have prescribed the following measures for long-term recapitalisation and consolidation to strengthen the cooperative credit architecture:

(i) Capital Adequacy Requirement: As per RBI guidelines, Rural Cooperative Banks (RCBs) must maintain a minimum CRAR of 9% on an ongoing basis. This is only the regulatory minimum; additional capital is necessary to support growth and prudent risk management.

(ii) Guidance Note on Capital Management: NABARD, vide circular dated 10 May 2024, issued a Guidance Note for RCBs covering capital planning, issuance, usage, and internal controls.

(iii) Role of Banks: Banks are advised by NABARD to adopt a forward-looking, Board-driven Capital Management Framework to assess both short- and long-term capital requirements.

(iv) Strategies for Banks with CRAR below 9%:

- Turn Around Plan (TAP): NABARD has implemented a comprehensive, multipronged TAP for weak RCBs, covering financial parameters, business diversification, governance, internal controls, cost rationalisation, HR development, technology adoption, and financial inclusion.
- Role of State Governments: NABARD has encouraged State Governments to contribute to the share capital of Rural Cooperative Banks (RCBs). In recent years, States such as Madhya Pradesh, Punjab, Uttar Pradesh, Maharashtra, Odisha and Bihar have made such contributions.
- NABARD Refinance Support: NABARD provides long-term loans to State Governments under Section 27 of the NABARD Act, 1981, to support share capital contribution to RCBs.

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