

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

RAJYA SABHA

QUESTION NO 09.11.2010

ANSWERED ON

RECAPITALIZATION OF URBAN CO OPERATIVE BANKS .

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Shri Parshottam Rupala

Will the Minister of COALCOALCOALCOALFINANCE be pleased to state :-

- (a) whether the Ministry is aware that the financial condition of Urban Co-operative Banks in the country is deteriorating day by day and financially sound Urban Co-operative Banks are not taking much interest in taking over the business of financially weaker Urban Co-operative Banks;
- (b) whether the account holders and stakeholders of the financially weaker Urban Co-operative Banks are not showing much willingness to convert more than one lakh rupees of their deposited amount into shares as a result of which RBI's recent scheme of recapitalization of financially weaker Urban Co-operative Banks could not materialize; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF FINANCE

(SHRI PRANAB MUKHERJEE)

(a) to (c): A Statement is laid on the Table of the House.