

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:379

ANSWERED ON:10.09.2007

VAIDYANATHAN COMMITTEE

Ahir Shri Hansraj Gangaram; Verma Shri Bhanu Pratap Singh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has released funds to the States for paying compensation to Co- operative Societies of their States for the losses suffered by them as per the recommendations of the Vaidyanathan Committee;
- (b) if so, the details of the funds released so far, State-wise;
- (c) whether the Government has also issued guidelines to the States for the allocation of funds to Co-operative Societies; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 379 DUE FOR REPLY ON 10TH SEPTEMBER, 2007.

(a) & (b): Yes, Sir. Based on the recommendations made by the Task Force on revival of Rural Cooperative Credit Institutions (Chairman: Prof. A. Vaidyanathan), Government of India has approved a revival package for the Short-term Rural Cooperative Credit Institutions involving financial, legal and institutional measures. Under the revival package, so far, Rs.423.64 crore and Rs.57.63 crore have been released to Andhra Pradesh and Haryana respectively as Government of India contribution towards recapitalization of eligible Primary Agricultural Cooperative Societies (PACS).

(c) & (d): Yes, Sir. The funding liability under the revival package will be shared by the Government of India, State Government and Cooperative Credit Structure based on origin of the losses and existing commitments. The release of funds by Government of India under the package is dependent mainly upon :-

- (i) State Government accepting the Package
- (ii) State Government signing MoU with GoI & NABARD
- (iii) State Government amending the Cooperative Societies Act through Ordinance/Bill, and
- (iv) State Government releasing its share.