

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:4294  
ANSWERED ON:19.08.2010  
WITHDRAWAL OF SHARES FROM IFFCO  
Vundavalli Shri Aruna Kumar

**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether the Ministry has any administrative control over the Indian Farmers Fertilizer Cooperative Limited (IFFCO);
- (b) if so, the details thereof;
- (c) when it was created and whether its major share was with the Government;
- (d) if so, the reasons for withdrawal of share from IFFCO;
- (e) whether any Memorandum of Understanding (MOU) has been signed between the IFFCO and the Government while transferring the Government's share to IFFCO; and
- (f) if so, the details thereof ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS ( SHRI SRIKANT KUMAR JENA)

- (a) : No, Madam.
  - (b) : not applicable.
  - (c) : IFFCO a Multi State Cooperative Society was registered on 3rd November, 1967. Prior to 2002, the major share of IFFCO was with GOI.
  - (d) : Section 35 of Multi State Cooperative Society (MSCS) Act 2002 allows redemption of shares held in MSCS by any of the authorities referred to in Clauses (c) to (g) of Sub Section 1 of Section 25 of the Act in accordance with the Bye Laws of such MSCS and in case where the Bye-laws do not contain any provision in this regard in such manner as may be agreed upon between MSCS and such authority.
- Consequent to the enactment of MSCS Act, 2002, IFFCO amended its Bye laws in the year 2002. The amended Bye-law No. 6 of IFFCO reads as under :-

`IFFCO shall quarterly retire the shares held by the non co-operative members like Government of India, and Public Financing Institutions to the extent that the cooperative members subscribe to the equity of IFFCO in order to facilitate greater participation and representation of cooperative members in IFFCO.`

As per the amended bye-laws of 2002, IFFCO with the approval of their Board repatriated total Government of India Equity amounting to Rs. 289.61 Cr during the period December, 2002 to June 2004 which was accepted by Government.

- (e) : No, Madam.
- (f) : Not applicable.