

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1286
ANSWERED ON:03.03.2011
REVIVAL OF SICK CO OPERATIVE SOCIETIES
Roy Shri Mahendra Kumar

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has any proposal for revival of sick co-operative societies in rural areas;
- (b) if so, the details thereof;
- (c) whether any State Government has submitted proposals for strengthening the co-operative societies;and
- (d) if so, the details thereof, State-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a) to (d) The Government in the Ministry of Agriculture has approved a package for revival of the short- term Rural Cooperative Credit Structure involving financial outlay of Rs. 13,596 crore with the objective of improving the functioning of Primary Agricultural Credit Societies (PACS), District Central Cooperative Banks (DCCBs) and State Cooperative Banks (SCBs) through legal and institutional reforms and necessary capital infusion. NABARD has been designated as the implementing agency for implementation of the revival package. The provision of financial assistance under the package has been linked to reforms in the cooperative sector. In order to avail financial assistance under the Package, the State Government is required to sign MoU with NABARD, committing to implement the legal, institutional and other reforms as envisaged in the revival package. So far twenty five States viz. Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chattisgarh, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Orissa, Punjab, Sikkim, Tamil Nadu, Tripura, Uttarakhand, Uttar Pradesh, and West Bengal have executed the MoUs with the Government of India and NABARD. As on 31st December, 2010 an amount of Rs.8081.53 crore has been released by NABARD as Government of India's share for recapitalization of 50,126 PACS in 15 States, while the State Governments have released Rs.769.56 crore as their share.