

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2364
ANSWERED ON:21.07.2009
FINANCIAL ASSISTANCE TO COOPERATIVES
Gangaram Shri Awale Jaywant

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government is aware of the difficulties faced by cooperative societies;
- (b) if so, the steps taken by the Government to overcome the difficulties; and
- (c) the financial assistance provided to the cooperative societies during each of the last three years and the current year, Statewise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (c): Yes, Madam. The Government is aware that cooperative societies are facing difficulties particularly, their inability to mobilize adequate resources to be self-reliant and to function as economical viable units. Some of the steps taken by the Government to overcome these difficulties and to revive the cooperative institutions are :

(i) On the basis of recommendations made by the Vaidyanathan Committee, the Government of India has approved a Revival Package for Short Term Cooperative Credit Structure (STCCS). Revival Package envisages an outlay of Rs. 13,597 crore for recapitalisation of STCCS. So far, 25 States have signed the MoU with Government of India and NABARD. An amount of Rs. 6072.71 crore has been released by NABARD as Government of India share for recapitalisation of 37,599 PACs in ten states, while the State Government had released Rs. 608.13 crore as their share. Details of amount released to states are placed at Annexure I.

(ii) Under the Central Sector Scheme for Cooperative Education and Training, assistance has been given to National Cooperative Union of India (NCUI) and National Council for Cooperative Training (NCCT) for implementing Cooperative Education & Training in the country. During the year 2006-07, 2007-08 and 2008-09 Rs. 68.00 crore, 32.25 crore and 35.00 crore respectively were released to NCUI and NCCT. Financial assistance is also being given to six national level federations for promotion and development of their member cooperatives through out the country. During the year 2006-07, 2007-08 and 2008-09 Rs. 1.25 crore, 1.25 crore and 1.00 crore respectively was given to these federations.

(iii) The Government of India also implements its cooperative development programmes, through the National Cooperative Development Corporation (NCDC). The programmes/schemes being implemented through NCDC are

(i) Integrated Cooperative Development Projects in selected districts,

(ii) assistance to cooperative marketing, processing and storage etc. programmes in cooperatively under-developed/least developed states/union territories, and

(iii) share capital participation in growers'/weavers' cooperative spinning mills. A statement, state-wise, of financial assistance to cooperative societies through National Cooperative Development Corporation (NCDC) is placed at annexure II.