

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:5138
ANSWERED ON:08.05.2012
REVIVAL OF SICK COOPERATIVE SOCIETIES
Haque Shri Sk. Saidul

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has any proposal for revival of sick cooperative societies in rural areas;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) to (c): The Government has introduced the Multi-State Cooperative Societies (Amendment) Bill, 2010 in Lok Sabha, which Inter-alia includes provision for establishment of Cooperative Rehabilitation & Reconstruction Fund (CRRF) for rehabilitation and strengthening of cooperative societies. The above Fund is proposed to be constituted with the contributions from multi-State cooperative societies, grants and donations given to the Fund and interest or other income received out of the investment made from the Fund.

The National Cooperative Development Cooperation (NCDC), a statutory organization under the Ministry of Agriculture also provides assistance for modernization/expansion of cooperative spinning mills, in case the concerned State Government works out a package to bring back its net worth to positive.

Assistance is also available to potentially viable sick sugar undertakings both in cooperative and private sectors under Sugar Development Fund (SDF) by way of loans for their rehabilitation/modernization, cane development and restructuring of outstanding SDF dues.

A "Revival, Reform and Restructuring Package for Handloom Sector" has also been approved to open the chocked credit lines of Weavers Cooperative Societies by waiving off the overdues of such sick cooperative societies and refinance them at low rate of interest with interest subsidy.