

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:200
ANSWERED ON:08.08.2012
QUESTION COMPENSATION TO BANKS BY NABARD
Jakhar Shri Badri Ram

Will the Minister of FINANCE be pleased to state:

- (a) whether the financial burden on cooperative banks and primary cooperative societies has increased due to loan waiving and loan relief schemes launched by the Union Government;
- (b) if so, whether some States have demanded compensation from the Union Government for relieving financial burden of these cooperative societies;
- (c) if so, the details of those States;
- (d) whether the Government proposes to provide financial assistance to cooperative banks and Cooperative societies of those States; and
- (e) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (e): The Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 was implemented by the Govt. This Scheme has de-clogged the lines of credit that were clogged due to the debt burden on the farmers and make the farmers eligible for fresh loans. Under the scheme Rs 52,275.55 crore has been released by the Govt. through Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) to give benefit to 3.45 crore farmers. The Government has reimbursed Rs 18287.16 crore to the State Cooperative Banks towards the implementation of the Scheme.

Under the Revival Package for Short Term Cooperative Credit Structure (STCCS), the Government of India has sanctioned an amount of Rs 9245 crore to NABARD for disbursement to those States which have signed Memorandum of Understanding (MoU) to this effect with NABARD and Government of India. State-wise details are enclosed at Annex.