

(b) if so, the details thereof; and

(c) the date of operationalisation of the proposed Asset reconstruction company?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) The Government has not put forward any such proposal to form an Asset Reconstruction Company to buy NPAs and bad loans from the PSBs.

(b) and (c) Do not arise.

**Tax exemption to co-operative societies doing agricultural business**

†950. SHRI RAM NARAIN DUDI: Will the Minister of FINANCE be pleased to state:

(a) the details of quantum of loss incurred due to bringing loss making co-operative institutions located in the State of Rajasthan under the Income Tax ambit; and

(b) whether Government intends to provide exemption in the income tax earned by the co-operative societies from agricultural business, if so, by when, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Under section 80P of the Income-tax Act, deduction in respect of profit and gains are already available to cooperative societies engaged in specified activities including marketing of agricultural produce grown by its members, purchase of agricultural seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members, the processing, without the aid of power, of agricultural produce of its members. The deductions are available subject to the conditions specified in the section across the country, including to those in State of Rajasthan.

**Payment of dearness allowance to family pension beneficiaries**

†951. DR. SANJAY SINH: Will the Minister of FINANCE be pleased to state:

(a) whether any beneficiary who receives family pension will be paid dearness allowance on basic pay by both the Departments i.e. pension and serving in case he/she gets a Government service; and

(b) the details of the guidelines issued by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): (a) No Sir.

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†Original notice of the question was received in Hindi.

(b) The family pensioners employed in the Central Government draw Dearness Allowance at the rates applicable from time to time to Central Government employees as per their basic pay fixed under the rules. The family pension received by such Central Government employees is not taken into account in determining their pay on employment in the Government. Such Government employee will also be eligible for Dearness Relief, at the rates applicable from time to time, on the family pension.

**Closing of co-operative Credit Societies doing banking jobs**

†952. SHRINARAYAN LAL PANCHARIYA: Will the Minister of FINANCE be pleased to state:

- (a) the number of registered co-operative Credit Society in the State of Rajasthan;
- (b) whether it is a fact that co-operative credit Societies are doing banking jobs; if so, the steps taken by Government to stop them; and
- (c) whether it is also a fact that Rajasthan High Court has ordered to close-up the cooperative Credit Societies which are doing banking jobs, if so, the full details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) has reported that as on 30.06.2016, 48 Multi State Cooperative Societies (MSCS) are registered in Rajasthan. In addition to the above, there are State-level cooperative credit societies in Rajasthan which fall within the jurisdiction of Registrar of Cooperative Societies (RCS), Government of Rajasthan.

Reserve Bank of India (RBI) has reported that as on 19.07.2016, 67 co-operative credit societies (including MSCS) are operating in Rajasthan with the banking license.

As per Section 22 of the Banking Regulation Act, 1949 (As Applicable to Co-operative Societies), no co-operative society shall carry on banking business in India unless it is a primary credit society, or it is a co-operative bank and holds a license issued in that behalf by the RBI, subject to such conditions, if any, as the RBI may deem fit to impose.

RBI has reported that they have advised RCS, Rajasthan to instruct the societies without banking licence to immediately stop doing banking business. DAC&FW has also directed MSCS functioning in Rajasthan not to carry on banking business, unless they have valid licence from RBI under Banking Regulation Act, 1949.

(c) The High Court of Rajasthan, *vide* their order dated 14.05.2015 in D.B. (Civil) Writ Petition No.26/2013 in the matter of Sajjan Singh Bhati *vs* State of Rajasthan & Ors has

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†Original notice of the question was received in Hindi.