

DEPT. OF COOPERATION, JHARKHAND

WRITE-UP

Introduction:-

Co-operative movement aims at economic, social and cultural development of small and marginal farmers, artisans, handicraftsmen, women and members of weaker sections. Co-operative movement in Jharkhand aims to generate job opportunities for rural tribal people in particular and for the SC/OBC and female in general by different economic activities. Persons with limited resources participate into organized economic activities through Co-operative Societies for the benefits of all the participants through mutual sharing of management. The aim of Co-operative is to achieve prosperity through self help.

Agriculture is the life-line of the people living in this State. They are also engaged in small economic activities as well. In this context, the broad objective of the Co-operative is to handle this responsibility by providing short and medium term production credit through a network of Large Area Multi-Purpose Societies (LAMPS), Primary Agriculture Credit Societies (PACS) and the District Central Co-operative Banks.

OBJECTIVES:-

- Socio-economic and cultural development of the people of the state through Co-operatives.
- Creating job opportunities and income generation through Co-operative societies.
- Evolution of appropriate policy for growth of Co-operative.
- Upgrading skill through training, Workshop, Seminars, and exposure visits for good governance in Co-operative Societies.
- Infrastructure development and skill development.
- Providing financial support to societies.

For the financial year 2014-15 the following budgetary provision is

Proposed

1. **National Agriculture Insurance scheme/Modified National Agriculture Insurance scheme/Weather Based Crop Insurance scheme (50:50):-**

These three types of Crop Insurance scheme is being implemented in the State. The State Govt. contributes 5% of the premium as subsidy and 5% is borne by Central Govt. for the small & marginal farmer's premium. The amount of State share was Rs 217 lakh for Kharif-2012.

An amount of Rs. 200.00 lakh was sanctioned for premium subsidy in the year 2012-13. Two schemes ,MNAIS enforced in six districts and WBCIS enforced in eighteen districts in kharif 2013.

An amount of Rs.800.00 lakh is proposed for premium subsidy in the year 2014-15.

Compensation for Crop. Insurance(50:50):-

In case of crop failure in the scheme under NAIS 50% of the total compensation assessed is to be borne by State Govt. and 50% by the Central Govt.

An amount of Rs. 12.00 lakh is sanctioned for the kharif -2012.

A sum of Rs. 200.00 Lakh (2.00 Crore) is proposed for the year 2013-14.

2. **State Share as Central financial package to co-operative societies.**To implement the recommendation of Prof. Vaidynath committee report for the strengthening theco-operative societies under short term co-operative credit structure the state has signed a MOU with GOI and NABARD. In terms of the said MOU special audit of societies under STCCS has been completed. On the basis of special audit categories losses have been ascertained. The losses are to be borne by GOI, state Govt. and the societies. A sum of Rs.15.92 crore is to be borne by the societies themselves. The net worth of co-operative societies under STCCS is not so good as to bear the losses by the societies. This will defeat the very purpose of the relief package offered by GOI for strengthening the STCCS of this state. On the basis of special audit of 8th DCCBs of the states, categorical losses of state share for DCCBs will also have to be released. Provision of Rs.1000.00 lakh for

the year 2008-09 and Rs. 500.00 lakh for the year 2009-10 has been made. A sum of Rs. 1.00 lakh was proposed in 2013-14.

A total outlay of Rs.1.00 lakh is proposed for the year 2014-15.

3. **Integrated Co-Operative Development Project (ICDP):-**

This scheme aims at strengthening & developing PACS/LAMPS and other special type of societies. The financial assistance is provided to the societies in the form of loan, share and subsidy under refinance scheme by NCDC.

The total amount sanctioned for the project in these districts is Rs.9522.82 lakh from 2011-12 onwards, out of which Rs. 870.00 lakhs has been sanctioned up to 2011-12. Six districts namely Khunti, Ramgarh, Bokaro, Saraikella-Kharsawa, Gumla, Simdega are taken for the ICDP projects. A total of Rs. 1700.00 lakh was sanctioned in the year of 2013-14. An amount of Rs. 1700.00 lakh would be required in 2014-15 for implementation of the project.

State Subsidy to ICDP :-

ICDP programme is being implemented in 13 districts of the state for which an amount of Rs.9522.82 lakh is sanctioned from National Co-operative Development Corporation, New Delhi. Implementation teams have been constituted to implement the project for which provision of State subsidy is made. An amount of Rs. 100.00 lakh was proposed as subsidy from State Govt. for the implementation of ICDP project in the year 2013-14.

An amount of Rs. 100.00 lakh is proposed for the year 2014-15 for this purpose.

4. **Information, Education, Communication, Seminar, Training, Documentation for Skill Development:-**

In order to make the officers of department, LAMPS/PACS more efficient, on job training for their skill up gradation is provided so that they can give better service.

Training for skill development is given to youth members below the age of 35 years of the co-operative societies so that they can generate employment. Training in different trades such as lac processing, Vegetable processing, Marketing, Weaving, Handicrafts, Bamboo, Dokra, Tailoring, Poultry, Bee keeping

etc. will be imparted for skill development, this will generate employment. For the year 2013-14 Rs. 150.00 lakh was sanctioned.

An outlay of Rs 150.00 lakh is proposed for the year 2014-15.

5. **Managerial Subsidy to PACS/LAMPS:-**

There are 474 LAMPS AND 857 PACS in the State. They have their own salaried staff. The salaries of these personnel are to be given as subsidy by the State Govt. The societies also need managerial subsidy for other activities. Rs. 126.00 lakh was sanctioned for the financial year 2013-14.

A sum of rupees 1.00 lakh is proposed for the year 2014-15.

6. **(a&b) Grant to Co-operative Training Centers at Ranchi and Deoghar:-**

There are two Co-operative Training Centers- at Ranchi and Deoghar which impart training to Co-operative Extension Officers, manager of societies, Office Bearers and Employees of different Co-operative Societies of the State. During 2013-14 Rs.15.00 lakh & Rs. 10.00 lakh respectively totaling Rs.25.00 lakh was sanctioned for these centers.

A sum of Rs. 15.00 lakh & 10.00 lakh respectively for the year 2014-15 is proposed.

(c) Grant for Skill Development for Youth members of Co-operatives:-

The year 2013 has been declared year for Youth and Skill development. Skill development will be done in many trades such as Vegetable, Cultivation and processing, lac based products such as lac bangles , bee kipping, poultry, piggery and other rural based activities to the youth members below the age of 35 of the Cooperative societies. A total outlay of Rs.100.00 lakh is proposed for 2013-14.

An outlay of Rs.10.00 lakh is proposed for the year 2014-15.

7.(a) **Share capital contribution to Special Type of Co-operative Societies:-**

In the state, there are several special type of Co-operative societies of SC/ST/OBC/Women, Physically handicapped & others. These societies are not in a position to progress on their own due to paucity of funds. The State Govt. therefore assists them by way of granting share capital. During 2013-14 Rs. 100.00 lakh was sanctioned as share capital to such societies.

A sum of Rs. 1.00 lakh is proposed for the year 2014-15.

(b) **Share Capital Contribution of JHASCOLAMF, VEGFED and JHAMCOFED:-**

The Jharkhand State Co-operative Lac Marketing & Procurement Federation Ltd. (JHASCOLAMF) The Jharkhand State Vegetable Co-operative Marketing Federation (VEGFED) are the apex Co-operative institutions of the State and they are doing the work of procurement, processing, value addition and marketing of lac and vegetables respectively. Jharkhand State Minor Forest Produce Co-operative Development and Marketing Federation Ltd. (JHAMCOFED) is also an apex Co-operative institution, which undertakes procurement, processing, value addition, marketing and development of minor forest produces. Apex institutions were sanctioned Rs. 60.00 lakh as share capital during 2013-14.

Rs. 10.00 Lakh for Jhascolampf, Rs.10.00 lakh for Vegfed and Rs. 10.00 lakh for Jhamcofed total Rs. 30.00 lakh is proposed for the year 2014-15.

(c)**Share Capital to Jharkhand Co-operative Federation:-**State co-operative federation is meant to provide leadership, training and guidance to all the co-operative societies of the state. Extension work forming co-operative policies, seminars, workshop etc. will be done by this federation for strengthening the co-operative movement in the state. As per the provision of co-operative Act Jharkhand Co-operative Federation has been registered. During 2012-13 a sum of RS. 25.00 lakh and in 2013-14 a sum of Rs. 25.00 lakh was sanctioned for providing share capital to Jharkhand co-operative federation.

An outlay of Rs. 50.00 lakh is proposed for the year 2014-15.

8(a).**Subsidy to Special Types of Co-operative Societies:-**

During 2012-13, Rs. 100.00 lakh was given by the State Govt. as subsidy to special types of Societies for the welfare of SC/ST/OBC/Women because these societies are not in a position to progress on their own due to paucity of funds.

A proposal of Rs 1.00 lakh for the year 2014-15.

(b) Transport Subsidy For Lifting Fertilizer From IFFCO for LAMPS / PACS

/VGCS :-

IFFCO fertilizer is supplied to the farmers mainly through LAMPS/PACS/VMSS. IFFCO provides transport subsidy to the Co-operative Societies up to a particular limit. The Societies beyond the prescribed limit have to pay additional amount for transportation which ultimately is recovered from the farmers. The above arrangement increases the cost of cultivation of the poor farmers of the State. Due to the above reason either the Societies are not doing fertilizer business or charging extra cost for transportation cost. In both the cases ultimate sufferer are the farmers of the state. During 2013-14 a sum of Rs1.00 lakh was sanctioned.

Rs. 5.00 lakh is proposed for the year 2014-15.

(c) Interest Subvention on Short term Agriculture Loan through KCC :

The DCCBs/PACS/LAMPS are providing short term agriculture loans to the farmers of the state at 9% rate of interest. 1% interest subvention on Short Term Agriculture Credit is available to farmers from Govt. of India through NABARD. Some other State is providing 4% interest subvention to their farmers, in order to reduce their cost of cultivation. Interest subvention for the small and marginal farmers of this State was sanctioned during the year 2009-10. Rs.300.00 lakh was given to District Central Co-operative Banks to provide Short Term Agriculture Credit at 3% rate of interest. During 2013-14 a sum of Rs.20.00 lakh was sanctioned.

An outlay of Rs.10.00 lakh is proposed for the year 2014-15.

(d) Grant to Co-operative Societies , Fisheries & Dairies Activities for processing

Plants:

the project is primarily targeted towards meeting the fish feed requirement of the state .

The anticipated impact of the project is as follows:-

Supply of high FCR (Food Conversion Ratio) fish feed among the fish farmers in the state .

Utilization of local raw materials for manufacturing the feed thereby creating a market for paddy growers ,maize and oil seed growers for selling rice bran, maize and oil cake .

An outlay of Rs. 100.00 lakh is proposed for the year 2014-15.

(e) Subsidy to Lac production co-operative societies:-

Lac is a cash crop of tribes in Jharkhand. To provide value addition it is necessary to setup small/Cottage units in the vicinity of lac production areas. Seed lac, Button lac, sealing wax, lac handicraft, Bangles, lac primer can be conveniently manufactured by women. TRIFED has agreed to market the products of these tribal ladies. 200 SHGs comprising more than 3000 women have been motivated. Training and awareness is going on. Trained women are keen to setup lac based rural industrial units costing 0.75 lakh to 1.75 lakh for one unit as per project. 150 units are proposed to be setup by JHASCOLAMF. JHASCOLAMF will provide necessary guidance. This will also solve the production problem of JHASCOLAMF i.e. Insufficient production of seed lac in the industry premises. During 2012-13 a sum of Rs. 100.00 lakh was sanctioned.

An outlay of Rs. 100.00 Lakh is proposed for the year 2014-15.

(f) Upgradation and Modernisation of central consumers store :-Central consumers store cater the need of consumers.

In the year 2011-12 Rs.180.00 Lakh was sanctioned and two consumers' stores at Project building and Nepal House will be commissioned very soon.

In the year 2013-14 a consumers store is proposed at Madhupur, Deoghar at an estimated cost of Rs.579.00 Lakh. During 2013-14 a sum of Rs. 200.00 Lakh.

An outlay of Rs.400.00 Lakh is proposed for the year 2014-15.

9.(a) Computerization of District Central Co-operative Banks:-

With the help of JAP IT computerization of DCCBDhanbad, Giridih, Ranchi- Khunti, Ghumla - Simdega ,Dumka, Deoghar- Jamtara,Hazaribag Distt. Co-operative Bank,JharkhandState Co-operative Bankis being done. A total amount of Rs. 823 lakh has been given to JAP IT till 2011. A sum of Rs 466.00 lakh was sanctioned in the year 2013-14.

Rs.5.00 lakh is proposed for the year 2014-15.

(b).Subsidy to LAMPS/PACS and special type of co-operative societies for computerization:- There are 474 LAMPS and 857 PACS in the state and they are categorized according to their working performance. All the societies are to be computerized in a phased manner. They will work as business correspondents of Coop Bank . UIDIA has provided Rs. 150 lakh for installing biometric devices in these Cooperative Societies . 1000 lamps/pacs will work as BC of Coop Banks .In the year 2011-12 Rs.50.00 Lakh was sanctioned for computerization of 88 societies.In the year 2012-13 Rs. 100.00 Lakh was sanctioned for 177 societies.

An outlay of Rs.50.00 lakh was sanctioned during the year 2013-14, for computerization of 135 societies.

An outlay of Rs.50.00 Lakh is proposed for the year 2014-14.

(c). Modernization and computerization of Registrar, Co-operative society office and regional offices of co-operative department:-

Modernization and computerization of DCCBs and primary credit societies is in process. Most of the work in Registrar's, Co-operative society office and regional offices are being done manually as yet. For close monitoring of different activities of the STCCS and other establishment, it is necessary to modernize and computerize the Registrar, Co-operative society's office and other regional offices of the state. A sum of Rs.50.00 lakh was sanctioned for the year 2011-12.A sum of Rs.6.00 lakh was sanctioned for the year 2013-14.

An outlay of Rs. 20.00 lakh is proposed to computerize and modernize the regional offices during 2014-15.

(d) Godown Constructions/ repair of LAMPS/PACS/VMSS:-

In past, 392 godowns have been constructed by the State Govt. for PACS/LAMPS. Some of them are old and need repair. A sum of Rs. 70.00 lakh was sanctioned in 2010-11. In the districts where ICDP is completed several LAMPS & PACS were not included for construction of godowns Out of 1332 PACS & LAMPS approximately 50% societies have storage facilities. Shortage of godowns is adversely affecting fertilizer, seed, deposit mobilization and other business of the societies. A sum of Rs. 100.00 lakh for construction and repairing of godowns was sanctioned for the year 2012-13.

A sum of Rs. 1 lakh is proposed for the year 2014-15.

(e) **Infrastructure development for female co-operative societies for "Mahila Vikas**

Kendra":- Out of total population the percentage of female is approximately 50%. The co-operative department has organized 214 female development co-operative societies in the state. Some of the societies have been provided share capital and subsidy from state plan to increase the economic activities of female societies. It is necessary to provide infrastructure like Training cum Production center and Machinery etc. to such societies. A sum of Rs. 100 lakh was sanctioned for the year 2011-12.. A sum of Rs. 20.00 lakh was sanctioned for the year 2013-14.

An outlay of Rs. 30.00 lakh is proposed for the year 2014-15.

(f) **Purchase of Vehicles and other equipments:-**

Vehicles and other equipment's are required for the implementation of the departmental programs , Rs. 20.00 lakh was sanctioned during the year 2013-14.

An outlay of Rs. 20.00 lakh is proposed for the year 2014-15.

(g) **Upgradation of Co-operative Training Centre, (CTC) Ranchi:-**

Jharkhand is a new State having no State level Co-operative management and Training institute like other States. The present Co-operative Training Centre of Ranchi which started in the year 1947 has no infrastructure to meet the present needs. The up gradation of the existing infrastructures such as class rooms, hostel, library, auditorium etc. is essential. During the year 2007-08 an amount of Rs.100.00 lakh was sanctioned. During 2010-11 Rs. 19.58 lakh was sanctioned. . During the year 2013-14 Rs. 200.00 lakh has been sanctioned. An outlay of Rs. 1.00 lakh is proposed for year 2014-15.

(h) **Building Construction for Regional offices:-**

Most of the offices of DCO's, ARCS & District Audit Officer are running in rented premises. Hence there is a dire need of providing building infrastructures for the offices. A sum of Rs 500.00 lakh was sanctioned in 2006-07 & 2007-08 for five districts. A sum of Rupees 100.00 lakh for construction of combined office building was sanctioned for the year 2011-12. A sum of Rupees 327.00 lakh for construction of combined office building was sanctioned for the year 2012-13.

An outlay of Rs. 1.00 lakh is proposed for year 2014-15.

(i) **Subsidy for Co-operative Departmental combined building at Head Quarter:-**

A piece of 26 acre of land is proposed to be transferred to Co-operative Department for construction of combined Co-operative Building by the state Govt. A sum of Rs. 473.00 Lakh was sanctioned for the year 2012-13.

An outlay of Rs. 500.00 Lakh is proposed for the year 2014-15.

(j) **Grant to Central Co-operative Bank for Building Construction / Repairing:**

Repairing of existing building and construction of new buildings of District Central Co-operative Banks and essential. There are 8 DCCBs having their 112 branches. The DCCBs are providing short term agricultural loan to the farmers of the state. They are also providing cash credit to PACS/LAMPS for fertilizer and seed business. The banks have been selected nodal agency for agricultural Insurance scheme. The DCCBs require financial assistance for infrastructure development. A sum of Rs. 100.00 Lakh was sanctioned for the financial year 2012-13. These eight DCCB have resolved to merge with Jharkhand State Cooperative Bank and there will be two tier Cooperative Credit structure in the state.

An outlay of Rs. 1.00 lakh is proposed during the year 2014-15.

10. **Loan and Subsidy to NCDC Aided Self Supporting Co-operative Societies:-**

The poultry development program has been developed as an enterprise in the State specially in tribal areas. Under this scheme loan and subsidy is given to Poultry Co-operative Societies through Mahila Co-operative poultry Federation. Popularly known as Didi Smaridhi youjna "This scheme has not only attracted the rural based female but has played a significant role in economic uplift of this sector. During 2012-13 a sum of Rs.500.00 lakh was proposed for Didi Smirdhi yojna.

An outlay of Rs.300.00 lakh is proposed for the year 2014-15.

11(a) **Grant in aid for Newly formed LAMPS/PACS :-**

There are 474 LAMPS and 857 PACS and one farmer's co-operative society in the state. They are registered under co-operative societies Act 1935. These Societies provide short term, medium term loan to farmers , crop

insurance, sale and supply of fertilizers, seeds pesticides and other input to farmers. Last year these societies procured paddy under minimum support price scheme of GOI very successfully and paid remunerative price to farmers. These societies are very helpful to farmers and are responsible for socio-economic uplift of rural farmers

The Government of Jharkhand in its cabinet Meeting dated 20.12.2012 passed resolution to register LAMPS/PACS in every panchayat of the state. Sankalp was issued vide 6/i.ku@iSDI iquxZ01/208/04-75 jk|ph fnukad 09/01/2013 and was published in State Gazettier.

A total sum of Rs 500 lakh is proposed for the financial year 2013-14 for construction of godown, development of other infrastructure, share capital and margin money for these new LAMPS/PACS.

An outlay of Rs.1200.00 lakh is proposed for the year 2014-15.

(b) Grant to Jharkhand State Cooperative Bank :-

Jharkhand State Cooperative Bank Ltd. has become operational in the State after taking the assets and liabilities of five branches of Bihar State Cooperative Bank operational in State of Jharkhand under the direction issued by RBI. Jharkhand State Cooperative Bank has been granted license by RBI. For strengthening the financial position of JSC Bank after merger of DCCB in Apex Bank it is necessary to enhance the own capital of JSCB and thereby Bank will be eligible to get the fund from NABARD at concessional rate of interest for financing crop loan to farmers of the State. A sum of Rs. 200.00 lakh was proposed for the year 2013-14 as grant .

An outlay of Rs. 500.00 lakh is proposed for the year 2014-15.

12. Financial Assistance form JICA for Societies :-

New JICA provides support for human resource development, Capacity building, Social and Economic infrastructure there by pursuing sustained poverty reduction.

Financial assistance will be taken by JICA for infrastructure development for newly formed PACS/LAMPS/Vegfed, for Godown, Training of personal, input supply like fertilizer, Seeds and other rural economic activities. Creation of backward and forward linkages. Supply chain management, area specific development of products will be done with the help of JICA. A total outlay of Rs.100.00 lakh is proposed for the year 2013-14.

JICA when contacted said when State Govt. would submit specific project proposed as only then would consider.

An outlay of Rs. 1.00 lakh is proposed for the year 2014-15