

IE. Co-operation

1. 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 ST/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 through mutual help. This is different from other form of business organizations like private proprietorship partnership, Joint Stock Company Corporation and public undertaking. The nature and feature of co-operative enterprise are unique and distinct. It blends both the co-operative character and business principles, hence co-operative enterprise.

The co-operative societies today are playing significant role to strengthen the national economy. It is hardly to be emphasized that the importance of the co-operative movement in our country has greatly increased in regard to the upliftment of the economic condition of the people in general and the weaker section of the society in particular. Their sphere of activities has by now widened to a great extent. Besides arranging for credit facilities for agricultural purposes. They are catering to the other needs of the societies as well. They are engaged in Production, Distribution, Consumption, House Building, Banking, Horticulture, sericulture, Piggery, Poultry, Fisheries etc as well as the new farm sectors like Handloom rural Industries and artisans. The 20 points economic programme, which alone is the panacea for economic emancipation of our poor people residing particularly in the rural areas has been embraced by the co-operative societies and they are actively engage in implementing them. A great responsibility lies upon them for achievement of the goal.

On reorganization of Jharkhand State the co-operative movement of the State continued without having the setup and network through co-operative federations like State Co-operative Bank, State Land Development Bank, Marketing Federation etc. This adversely affected the functioning the co-operatives.

As per the provisions under Article 43B of constitution of India –

“The State shall endeavour to promote voluntary formation, autonomous functioning, democratic control and professional management of co-operative societies”.

The State Government has been providing financial assistance to co-operative since inception of Jharkhand, based on commodity or activity approach. On review of State schemes it was felt that there is a need to look at the business operations and financial requirements of a village society in its entirety and dovetail various schemes of the State Govt. to provide financial assistance in accordance with its needs.

Development of Primary Agricultural Credit Co-operative Society (LAMPS/PACS) and Vyapar Mandals as a multipurpose entity has been identified as one of the major objective for the 12th Five Year Plan. In view of the above, plan for integrated development of PACS/LAMPS/VMSS on the basis of area based project approach has been prepared. The Comprehensive Plan included integrated development of primary co-operative in the agricultural and allied sectors such as Horticulture, Lac, Sericulture, Poultry, Fishery etc as well as the non-farm sectors like Handloom, need based rural industry, artisans with special focus on helping the weaker section of the State. The broad strategy for the implementation of the plan is as follows:-

1. Creation of the infrastructural facilities both in farm and non farm sector to facilitate diversified activities.

2. Strengthening the financial base by providing share capital and margin money assistance for activities such as marketing of agriculture and other produce supply of consumer article etc.
3. Creation of small size processing units like Oil Seeds processing, Rice Mill, Fruits, Vegetable, Lac Units etc.
4. Strengthening of system and procedures for better business and managerial efficiency.
5. Training of society personal member of board of management and ordinary member to improve their skills capability and create necessary awareness.
6. Motivation through study visits, training and incentives for better performance.
7. Foster vertical, Horizontal, backward and forward linkage to sustain and enhance the member interest and business prospects of the Society.

Major Achievement during the 11th Five Year Plan:-

1. Poultry development through 11 primary level female Co-operative society and their federation covering 3969 female members (majority of them from ST&SC) with yearly total production 6934 M.T. (32% of the State requirement). Yearly total profit of the societies is Rs. 4208.00 lakh Out of which yearly members profit in Rs. 309.05 lakh.
2. Started 2 hatcheries of 3.50 lakh capacity each in Lohardaga & Bokaro District in Co-operative Sector with total chick production 8400000 per annum.
3. Through Integrated Development Project 382 (100 M.T.) and 1 (500 M.T.) New rural godowns constructed as 120 (100 M.T.) old godown repaired to increase the storage facilities for fertilizer seeds and agriculture output.
4. Provided banking facilities to rural people through deposit mobilization in PACS and LAMPS with a total deposit of the societies Rs. 165.00 Crores.
5. Yearly supply of approximately one lakh M.T. fertilizer to farmers through LAMPS/PACS/VMSS.
6. Supply of the certified seeds to farmers with subsidy worth Rs. 11.00 Crores during Kharif 2011.
7. Computerization of 8 District Central Co-operative banks and their 112 branches to make the banks competitive with other banks.
8. Year wise total coverage farmers and payment of compensation for crop damage under National Agriculture Insurance Scheme:-

Coverage		Payment		
Year	No. of Beneficiaries	Year	No. of Beneficiaries	Total Compensation Paid
Kharif 2007 Rabbi 2007-08	742089	2008-09	80851	39670917.16
Kharif 2008 Rabbi 2008-09	742837	2009-10	142147	322856017.52
Kharif 2009 Rabbi 2009-10	1308158	2010-11	817994	2473047050.85
Kharif 2010 Rabbi 2010-11	372000	2011-12	225561	890200000.00

9. Fish production through fishermen co-operative societies total 287 M.T. and fish seeds production 228 M.T. (22% of the State requirement)
10. Provided training cum education centre for physically handicapped children from brings them in the main stream of development through co-operative societies.

Twelvth Five Year Plan 2012-17

12th challenges

1) Enhancing capacity for growth

More emphasis have been laid to mobilise resource to increase production of agricultural and allied sector and marketing infrastructure. This will aid to increase in GSDP.

2) Enhancing skills and faster generation of the employment

Provision for skill up gradation training have been made and More employment generating schemes have been included in 12th plan.

3) Managing the environment

Most of the schemes of co-operative sector are eco friendly. Schemes of co-operative sector will have least invoirmental and ecological degradation effect. While executing schemes due care will be taken on this issue.

4) Markets for efficiency and inclusion

Provision for development of Integrated and well regulated markets for the goods produced and services rendered have been made in 12th plan. This will provide opportunity for inclusive and sustainable growth.

5) Decentralization, Empowerment and Information

In Co-operative sector more emphasis are laid on decentralisation and empowerment. Recommendations of Baidyanathan Committee are being implemented in toto to ensure democratic functioning of co-operatives with minimum control of Govt.

6) Technology and innovation

While implementing schemes, to encourage academia, new technologies and innovative methods will be used.

7) Securing the energy future for India

Not concerned with this Department.

8) Accelerated development of transport infrastructure

Not concerned with this Department.

9) Rural Transformation and sustained growth of agriculture

More emphasis have been laid in development of infrastructure at LAMPS/PACS, so that farmers may get agricultural inputs such as Seed, Fertilizer etc. at their door step. This will increase agricultural production. To make it sustainable production of allied sector such as Poultry, Dairy, Fisheries, Goatery, Piggery etc. will be increased. This will tranform the rural sector.

10) Managing Urbanization

Not concerned with this Department.

11) Improved access to quality Education

Not concerned with this Department.

12) Better preventive and curative healthcare

Not concerned with this Department.

2. STATE PLAN SCHEMES

2.1. Continuing Schemes

2.1.1 Integrated Co-operative Projects

The Scheme aims to strengthen, existing PACS / LAMPS as multipurpose entities and to improve existing Co-operative structure. The financial assistance is provided to the Co-operative societies through state government in the form of loan as well as subsidy after being financed by NCDC. This will increase production of agricultural and allied sectors.

2.1.2 Managerial subsidy to Co-operatives :

There are 474 LAMPS and 858 PACS in the State. In addition to the above at present there are about 6000 special type of societies. Managerial subsidy will help these societies to employ qualified managers for better management of the societies, this will help in fulfilling the objective of the co-operative movement.

2.1.3 National Agricultural Insurance Scheme

This scheme aims at providing financial security to farmers. Crop insurance scheme is being implemented for the welfare of the farmers as per the direction of the Government of India since Kharif -2001. All loanee and non-loanee farmers are the beneficiaries of this Scheme. State Government contributes its share as subsidy for premium, indemnity as well as other administrative charges.

2.1.4 Strengthening of Credit Structure

Co-operative credit plays a vital role in fulfilling the agricultural credit needs of farmers. Co-operative Banks are the backbone of co-operative movement as well as co-operative credit structure. The State has launched **Mukhya Mantri Kisan Credit Card Yojana** from year 2011-12. Under this scheme interest subsidy is provided to those farmers, who repay loans in time.

2.1.5 Infrastructure for primary Co-operative Societies and Regional Offices

In order to get better result, good working condition is a necessity. There is an urgent need to construct Office cum Godown building in every PACS/LAMPS/VMSS, storage facility for Seeds, Fertilizers, Work sheds in Industrial Societies, Marketing infrastructure and office building for field offices, at the same time improvement and strengthening of existing infrastructure.

2.1.6 Processing Units in Co-operative Societies

During 11th five year plan period Mini Rice Mills and other processing units have been setup in few co-operative societies. To assist farmers in getting better return value addition before their product reaches market is must. Hence establishment of food processing and other processing units at society level is must. In view of this assistance for setting up processing units in co-operative societies in large number is proposed in 12th five year plan.

2.1.7 Grant to Co-operative Training Centres

At present there are two Co-operative Training Centers at Ranchi and Deoghar in the State. These impart training to Junior Co-operative Officers, Office Bearers and Employees of different co-operative societies in the state. There is urgent need to construct one State Level Co-operative Training Centre with training facility to senior & junior co-operative officers and elected office bearers of societies.

2.1.8 Share Capital Contribution and subsidy/grant to PACS/LAMPS/VMSS

State Government provides financial assistance to PACS/LAMPS/VMSS in the form of share capital contribution and subsidy/grant to enable them to undertake business of fertilizers, seeds, other agriculture inputs etc.

2.1.9 Share Capital Contribution and Subsidy /Grant to Special type of Co-operative Societies for the Welfare of ST/SC/ OBC and Women.

In the state, there are many special types of co-operative societies, which works specially for the welfare of SC/ST/OBC/Women. These societies are not in a position to progress at their own due to paucity of funds. The State Government, therefore, assists them by way Share Capital Contribution and grant/subsidy.

2.10 Share Capital Contribution to JASCOLAMPF, VEGFED and JHAMCOFED.

The Jharkhand State Co-operative Lac Marketing and Procurement Federation Limited (JASCOLAMF) and The Jharkhand State Vegetable Co-operative Marketing Federation (VEGFED) are the apex cooperative institutions of the State and they are doing procurement, processing, value addition and marketing of Lac and vegetables respectively. Jharkhand State Minor Forest Produce Co-operative Development and Marketing Federation Limited (JHAMCOFED) is also an apex co-operative institution to be registered soon as per the decision taken by the State Government and will undertake procurement, processing, value

addition and marketing of minor forest produce. State Govt. provides Share Capital Contribution to these State Level Federations.

2.1.11 Share Capital contribution to District Central Co-operative Banks and Jharkhand State Co-operative Bank:

As per the advice of the Reserve Bank of India a sum of rupees 4100 Lakh is being proposed as share capital contribution to District Central Co-operative Banks for strengthening their share capital base and to enable them to come out of section 11 (1) of Banking Regulation Act, 1949 (as applicable to co-operative societies). Development Action Plan is being prepared by the District Central Co-operative Banks for the same. The newly organized Jharkhand State Co-operative Bank shall be provided Share Capital to increase its network.

2.2. New Schemes

2.2.1 Integrated Co-operative Development Project (ICDP) :

As per the policy of the State Government five new selected districts namely Bokaro, Khunti, Ramgadh, Gumla & Simdega will be covered under NCDC aided Integrated Co-operative Development Project.

2.2.2 Self supporting Co-operative Societies under NCDC aided scheme:

This scheme aims at development of Horticulture, Agriculture, Dairy and Poultry and generation of self employment for weaker sections through self supporting co-operative societies under NCDC aided schemes.

2.2.3 Swawlambi Gram Yojana:

This scheme intends to develop the socio-economic activities in selected villages of selected districts on a composite basis through multipurpose co-operative societies. Under this scheme, training for skill up gradation and managerial support will be provided by the State Govt.

3. TRIBAL SUB PLAN

A sum of Rs. 73000 lakhs has been earmarked for Tribal Sub Plan out of total proposed outlay of Rs. 145195 lakhs during 12th Plan.

A sum of Rs. 18500 lakhs has been earmarked for Tribal Sub Plan out of total proposed outlay of Rs. 36225 lakhs during Annual Plan 2012-13.

4. SPECIAL COMPONENT SUB PLAN

A sum of Rs. 29000 lakhs has been earmarked for Special Component Sub Plan out of total proposed outlay of Rs. 145195 lakhs during 12th Plan.

A sum of Rs. 7300 lakhs has been earmarked for Special Component Sub Plan out of total proposed outlay of Rs. 36225 lakhs during Annual Plan 2012-13.

Proposed physical targets for the 12th Five Year Plan:-

1. Integrated Co-operative Development Projects (ICDP):-

First & second phase of ICDP will be completed in all districts.

2. Agricultural Insurance Schemes:-

At present about 40% of farmers are covered under Agricultural Insurance Schemes.

During 12th plan period coverage of farmers under Agricultural Insurance schemes will be raised to 100%.

3. Infrastructure for primary Co-operative Societies and Regional Offices

- In all PACS/LAMPS/VMSS Godown cum Office will be constructed and all Godowns will be renovated.
- Office building for all regional offices will be constructed.

4. Processing units in co-operative societies

Processing units as per requirement will be setup in co-operative societies.

5. Co-operative Training Centre

State level Co-operative Training Centre will be setup and existing Co-operative Training Centre will be strengthened.

6. Procurement of MFP & its Value Addition:-

Minor forest products are mainly collected by the rural people of the remote forest areas and are sold to the middle man either in barter system or at negligible price. To ensure better price of minor forest produce to the rural people engaged in collection of these, JHAMCOFED is engaged in procurement and value addition of these MFP. During 11th five year plan period 1667 M.T. MFP were procured, during 12th five year plan period approx 34500 M.T. MFP will be procured.

7. Production, Procurement, Processing & marketing of Lac:-

Jharkhand was the largest Lac producing State. In recent years production of LAC in Jharkhand has slumped.

To increase LAC production of State, Lac grower farmers will be provided training of latest technique of LAC growing, pest control and primary processing of LAC. During 12th five year period about 4.5 thousand M.T. Lac will be procured, processed and marketed after value addition through JHASCOLAMF.

8. Poultry :-

Jharkhand Women Self-Supporting Poultry Co-operative Federation Ltd. plans to increase the number of co-operatives to 20 by adding 10 more new co-operatives. The institutional cost for this will be Rs. 25 lakh per unit. 400 new members will be added per new co-operative which will amount to 4000 new members. The cost of infrastructure creation per member will be Rs. 86000.

With increase in the number of members, increase in number of these input units for backward linkage will be a must. Hence in addition to existing two hatchery units and feed mill, two new hatchery, one fertilized egg layer unit, one feed mill, processing unit and market infrastructure will be created.

9. Production, Procurement, Processing and Marketing of Fruits & Vegetables:-

Jharkhand is a surplus vegetable growing State. At present due to lack of proper processing & marketing facility and post harvest storage facility vegetable growers are not getting due price. During 12th five year plan period training & assistance for post harvest management, establishment of new food processing units, and marketing infrastructure will be created.

10. Creation of new PACS and LAMPS:-

At present area of PACS extends to 2-3 Panchayat, whereas area of LAMPS extends to 4-5 Panchayat. Due to large area of operation, these societies are not in a position to provide the services to the all members. During the 12th plan period, number of PACS/LAMPS will be increased and one PACS/LAMPS will be established at each panchayat, so as they are able to provide services rendered by them to all.

11. Seeds/Fertilizer business through PACS/LAMPS/VMSS during the plan:-

Seeds and fertilizers are being provided by the LAMPS and PACS to a limited extent. 25% of fertilizer and 5 to 10% of seeds requirement is being provided through these agencies. During 12th plan period PACS/LAMPS will be strengthened to increase their Fertilizer & Seed business, so as to they are able to fullfil at least 75% of the farmers requirement.

12. Procurement of Food Grains at MSP:-

Due to draught in three successive crop years, during 11th five year plan period procurement of food grains at MSP was not possible. During year 2009-10 about 5 thousand M.T. Paddy could be procured at MSP. During 2011-12 good paddy harvest is expected. Hence this year target of procurement of 5 lakh M.T. Paddy has been fixed. During 12th five year plan period each year 5-8 lakh M.T. Paddy will be procured at MSP through PACS/LAMPS.

Name of Department - Co-operative - STATE PLAN

(Rs. In Lakhs)

Sl. no	Name of Schemes	Proposed Outlay 2012-17		Proposed Outlay 2012-13		Proposed Outlay 2013-14		Proposed Outlay 2014-15		Proposed Outlay 2015-16		Proposed Outlay 2016-17	
		Continuing Schemes	New Schemes	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical	Financial	Physical
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	2425 - Co-operation												
1	Consultancy fee for preparation of ICDP Projects and other Schemes Projets	100.00		20.00	5	20.00	5	20.00	5	20.00	5	20.00	5
2	State Subsidy to ICDP	2000.00	1000.00	920.00		520.00		520.00		520.00		520.00	
3	Information, Publicity , Seminar for projects and other Programme	500.00		100.00	75	100.00	75	100.00	75	100.00	75	100.00	75
4	Managarial subsidy to Co-operative	800.00		160.00	1332	160.00	1332	160.00	1332	160.00	1332	160.00	1332
5	Subsidy for premium and other exp. To crop Insurance fund	500.00		100.00	1300000	100.00	1350000	100.00	1400000	100.00	1500000	100.00	1500000
6	Subsidy crop Insurance for compension to the farmers for Crop Insurance	50000.00		8000.00	1300000	8000.00	1350000	10000.00	1400000	12000.00	1500000	12000.00	1500000
7	Purchase of vechiles and other equipments	100.00		20.00	10	20.00	10	20.00	10	20.00	10	20.00	10
8	Grant to CTI, Ranchi & Deoghar	370.00		50.00	5000	60.00	6000	70.00	7000	90.00	9000	100.00	10000
9	Subsidy to Co-operative Societies	3000.00		600.00	12500	600.00	12500	600.00	12500	600.00	12500	600.00	12500

10	Computrization of DCCBs	100.00		100.00	8	0.00	0	0.00	0	0.00	0	0.00	0
11	Subsidy to LAMPS/ PACS & VMSS Infrastructure for mini Rice Mill / Holurs	1500.00		300.00	35000	300.00	35000	300.00	35000	300.00	35000	300.00	35000
12	Upgradation of CTI, Ranchi	1000.00		500.00	1	500.00	1	0.00	0	0.00	0	0.00	0
13	Building Construction of regional offices	1000.00		200.00	2	200.00	2	200.00	2	200.00	2	200.00	2
14	Godown construction / Repair of LAMPS / PACS/ VMSS	500.00		100.00	75	100.00	75	100.00	75	100.00	75	100.00	75
15	Transport Subsidy for lifting of fertilizer from IFFCO for LAMPS/ PACS / VMSS	1000.00		200.00	500000	200.00	500000	200.00	500000	200.00	500000	200.00	500000
16	Interest Subvension to DCCB Agricultural Loan	2000.00		400.00	500000	400.00	500000	400.00	500000	400.00	500000	400.00	500000
17	2425 - Subsidy to ICDP Districts	10850.00	3500.00	4670.00		2420.00		2420.00		2420.00		2420.00	
18	Subsidy to NCDC aided Self Supporting Co-operative Societies	0.00	2475.00	495.00		495.00		495.00		495.00		495.00	
19	Mineral iron (minral ore/ slag) based societies - subsidy	1000.00		200.00	10000	200.00	10000	200.00	10000	200.00	10000	200.00	10000
20	Subsidy for lac based industrial societies	2000.00		400.00	20000	400.00	20000	400.00	20000	400.00	20000	400.00	20000
21	Up gradation and modernization of central consumer stores	2000.00		400.00	20000	400.00	20000	400.00	20000	400.00	20000	400.00	20000

22	Grant to Cooperative Societies for established vermese compost unit	1000.00		200.00	120	200.00	120	200.00	120	200.00	120	200.00	120
23	Infrastructure development to Mahila Co-operative Societies for "Mahila vikas Kendra"	500.00		100.00	5000	100.00	5000	100.00	5000	100.00	5000	100.00	5000
24	Subsidy for Strengthening the existing central Consumer Co-operative Stores	1000.00		200.00	10000	200.00	10000	200.00	10000	200.00	10000	200.00	10000
25	Grant to co-operative societies for processing plants	2000.00		400.00	15000	400.00	15000	400.00	15000	400.00	15000	400.00	15000
26	Subsidy to Execlent Co-operative Societies for Computarisation	250.00		50.00	50	50.00	50	50.00	50	50.00	50	50.00	50
27	Modernization & computrisation to Office of the Registrar, Co-operative Societies, Jharkhand, Ranchi & Regional Offices	400.00		50.00	10	50.00	10	100.00	20	100.00	20	100.00	20
28	Subsidy for co-operative departmental combined building at head quarter	1000.00		500.00	1	500.00	1						
29	Grant for web based survellance system for central Co-operative bank	200.00		200.00									
30	Swawlambi Gram Yojana		1500.00	300.00	500	300.00	500	300.00	500	300.00	500	300.00	500
Sub Total		86670.00	8475.00	19935.00	3734689	16995.00	3835681	18055.00	3936689	20075.00	4138689	20085.00	4139689
2	6425 - Credit for Co-operative												

3	31	Loan to ICDP Districts	21700.00	7000.00	9340.00	200000	4840.00	200000	4840.00	200000	4840.00	200000	4840.00	200000
	32	Loan to NCDC aided Self Supporting Co-operative Societies	0.00	3025.00	605.00	800	605.00	800	605.00	800	605.00	800	605.00	800
	Sub Total :		21700.00	10025.00	9945.00	200800	5445.00	200800	5445.00	200800	5445.00	200800	5445.00	200800
	4425 - Share Capital to Co-operative													
	33	Share Capital to ICDP Districts	10850.00	3500.00	4670.00		2420.00		2420.00		2420.00		2420.00	
	34	Share capital contribution to Co-operatives Societies	1500.00		300.00	10000	300.00	10000	300.00	10000	300.00	10000	300.00	10000
	35	Share capital contribution to JHASCOLAMPF	125.00		25.00		25.00		25.00		25.00		25.00	
	36	Share capital contribution to VEGFED	125.00		25.00		25.00		25.00		25.00		25.00	
	37	Share capital contribution to JHAMFCOFED	125.00		25.00		25.00		25.00		25.00		25.00	
	38	Share Capital to Jharkhand State Co-operative Bank Ltd.	1100.00		1100.00	1	0.00	0	0.00	0	0.00	0	0.00	0
	39	Share capital to Labour Co-operative Fedration	500.00		100.00	1	100.00	1	100.00	1	100.00	1	100.00	1
	40	Share capital to Jharkhand State Co-operative Fedration	500.00		100.00	1	100.00	1	100.00	1	100.00	1	100.00	1
SubTotal :		14825.00	3500.00	6345.00	10003	2995.00	10002	2995.00	10002	2995.00	10002	2995.00	10002	
GRAND TOTAL (Continued Scheme = 1+2+3)		123195.00	22000.00	36225.00	3945492	25435.00	4046483	26495.00	4147491	28515.00	4349491	28525.00	4350491	

