

CHAPTER - 10 COOPERATION

10.1 The co-operative movement in Rajasthan is playing a vital role in the social and economic development of the State, particularly in rural areas. Initially, this movement was confined to agricultural credit, later on, it rapidly spread to other fields like agro-processing, agro-marketing, milk production and distribution, rural industries, consumer stores, social services etc.

10.2 About 90% of the short term institutional credit to the farmers is being provided by cooperatives. About 70% of the district credit plan is fulfilled by cooperative banks. 30% of the total agricultural inputs in the state are being supplied by the cooperative marketing organizations. India leads the world in milk production. The contribution of the cooperative sector in milk production and distribution is about 95%.

10.3 At present there are 20 State Level Federations, 29 Central Cooperative Banks, 16 milk Unions, 32 Upbhokta Wholesale Bhandars, 36 Primary Land Development Banks (PLDB), 5,255 Primary Agricultural Credit Societies (PACS) and 213 Kraya - Vikraya Sahakari Samities (KVSS). Thus about 26048 co-operative societies are registered in the State including above societies.

10.4 State Government is committed promote agriculture cooperative societies, for promotion of cooperative movement by formation of new Gram Seva Sahkari Samities and LAMPS, renewal and strengthening of Gram Seva Sahkari Samities, empowerment of women through cooperatives, timely availability of seeds & fertilizers to farmers etc. as per the resolution accepted and also make short term, medium term and long term cooperative credit.

10.5 As against the provision of Rs. 100.00 crores for the 11th Five Year Plan, Rs. 2.63 crores were spent during 2007-08 and Rs.8.34 crores were spent during 2008-09. Rs. 1500.00 lakhs are likely to be spent during 2009-10. An amount of Rs. 1000.00 lakhs is proposed for the year 2010-11. The important physical targets proposed for Eleventh Plan, likely achievements during 2009-10 and targets proposed for the Annual Plan 2010-11 are as under :-

(Rs. in crores)

S. NO.	Scheme	Proposed Target for Eleventh Plan	Anticipated Achievement 2009-10	Proposed Target for 2010-11
1	Short Term Loan Distribution	20800.00	3227.70	3600.00
2	Medium Term Loan Distribution	1275.00	376.65	430.00

3	Long Term Loan Distribution	2020.00	250.00	300.00
4	Sale of fertilizers	2480.00	604.63	651.73
	Marketing of Agriculture Produce	6300.00	258.77	266.79
5	Distribution of Consumer goods	4750.00	982.50	1078.39

10.6 Scheme-wise details are as under:-

I. Direction and Administration

10.7 Rs. 25.00 lakhs are likely to be spent during 2009-10. Rs.25.02 lakhs is proposed for the Annual Plan 2010-11 for publication and publicity, construction of cooperative complexes and assistance to GRAMSAT.

10.8 At present there are 7 cooperative complexes in the state at zonal head quarters and one at Jhalawar and Baran are constructed. Cooperative Complex in Tonk district is under construction. Rs. 20.00 lakhs are likely to be spent during 2009-10. An amount of Rs. 0.01 lakhs is proposed for construction of cooperative complexes for the year 2010-11.

10.9 Publication and publicity is an integral part of the department. Department not only publishes various bulletins, magazines etc. but also play an important role in organizing cooperative fairs too. General public are made aware regarding cooperative schemes through audio video media. Rs. 5.00 lakhs are likely to be spent during 2009-10. Rs. 25.00 lakhs is proposed for the year 2010-11.

10.10 This scheme is being run by the Science and Technology Department of the State. This scheme provides the platform to the department to communicate its schemes, plans to the block level. It is a 2-way audio-video programme through Satellite. A hub has been established at IGPRS. Rs.0.01 lakhs are likely to be spent during 2009-10 and Rs. 0.01 lakhs is proposed for the year 2010-11.

II. Credit Cooperatives

10.11 Integrated Cooperative Development Project - Rs.280.00 lakhs are likely to be spent during 2009-10 and Rs.358.65 lakhs is proposed for the year 2010-11.

10.12 Interest subsidy to good borrowers – State Government has provided 2% subsidy on interest to the good borrowers during 2008-09 who have not defaulted for repayment of their loan for 5 years. Rs. 0.01lakhs are likely to be spent during 2009-10. Only a token amount of Rs 0.01 lakhs is proposed for the year 2010-11.

10.13 Assistance for restructuring of Primary Cooperative Credit Institutions - NABARD has constituted Vaidyanathan Committee to

reorganise and increase viability of the short term state credit cooperative institutions, which include Central Cooperative Banks, and Primary Agriculture Cooperative Societies. On the recommendations of Vaidyanathan Committee, Government of India had announced a package to revamp the short-term cooperative credit structural reforms in PACS to curb net losses of CCBS and Apex Bank. Rs. 435.94 lakhs are likely to be spent during 2009-10. An amount of Rs 412.85 lakhs is proposed for the year 2010-11.

10.14 Share capital to coop. credit institutions (LTO fund):- Rs. 0.02 lakh are likely to be spent during 2009-10 and Rs.0.02 lakh is proposed for the year 2010-11.

10.15 State share for conversion of short term loan into medium term loans:- Rs. 0.01 lakhs are likely to be spent during 2009-10 and Rs.0.01 lakhs is proposed for the year 2010-11.

10.16 Interest subvention:- Interest subvention for disbursement of ST loan central and state government is required to contribute equally for disbursement of ST loaning so that the farmers can get ST loan @7%. Central Government is contributing 3% but state government has failed to contribute at all. Hence the burden falls on ST credit structure (CCBs&PACS) resulting in heavy losses to these institutions in the state. Under this scheme Rs.0.01 lakhs is proposed for the year 2010-11.

10.17 Special incentive for the regular payers of loans:- Farmers who have repaid their loans regularly for five years could be eligible to get special discount of 2% after repayment of their loans.Rs.0.01 lakhs is proposed for the year 2010-11.

10.18 Computerization of 300 CCB rural branches:- Rs. nil likely to be spent during 2009-10 and Rs.75.00 lakhs is proposed for the year 2010-11.

III. Cooperative Education and Training

10.19 Training to departmental employees - To increase the efficiency and to provide the information regarding new schemes and also to train the newly inducted employees, Rajasthan Institute of Cooperative Education and Management (RICEM) is working as a leading institution in the cooperative sector. Besides this, training is also provided in different training institutes as and when required. Rs. 5.00 lakhs are likely to be spent during 2009-10. Rs. 10.00 lakhs is proposed for the year 2010-11 for this purpose.

IV. Miscellaneous Cooperatives

10.20 Assistance to Women Cooperatives- Under this scheme, Rs.20000/- as share capital and Rs.10, 000/- as managerial subsidy is provided to women cooperatives for their successful running. Rs.10,000 Managerial Subsidy is given in three years @Rs.2500, 5000, and 2500 on

tapering basis. This scheme has helped the women cooperatives to function in a successful manner, which has resulted in better economic conditions of women in the State. At present there are 2462 women cooperatives in the State including Annapurna Mahila Cooperative Societies. Rs.19.00 lakhs are likely to be spent during 2009-10. Rs. 13.40 lakhs is proposed for the year 2010-11.

10.21 Development of common accounting/business software for KVSS/Bhandars - KVSS and Bhandars in order to function with modern techniques like computer common software has been prepared and is being installed in KVSS and Bhandars. Also the employees of these institutions are trained so that they can work on this software. Rs. 10.00 lakhs are likely to be spent during 2009-10.

10.22 Training to Women SHGs - In order to encourage micro finance in the state women SHGs are being trained regarding their functioning and bank linkages. They are also given training in various professions. Their officials are trained by the CCB employees and master trainers. Rs. 10.00 lakhs are likely to be spent during 2009-10. Rs. 5.00 lakhs is proposed for the year 2010-11.

10.23 Cooperative Rural Tourism (Rajgramya) - Primary societies like PACS/ LAMPS and KVSS have taken up rural cooperative tourism as additional function. They are being provided with share capital and assistance. Rajasthan State Cooperative Tourism Federation has been constituted. Rs. 15.00 lakhs are likely to be spent during 2009-10. Rs. 0.01 lakhs is proposed for the year 2010-11.

10.24 Investment in SPINFED:- Rs.507.50 lakhs are likely to be spent during 2009-10 and Rs.0.01 lakhs is proposed for the year 2010-11.

10.25 Special Assistance is given to women cooperative for opening of fair price shops and sale of fertilizers, seeds, pesticides etc, business (Ridhi Sidhi Yojana):- Rs. 500.00 lakhs are likely to be spent during 2009-10 and Rs.100.00 lakhs is proposed for the year 2010-11.

10.26 Special Assistance is given to LAMPS for opening of fair price shops and sale of fertilizers, seeds, pesticides etc, business (LAMPS Khushali Yojana):- Rs.200.00 lakhs are likely to be spent during 2009-10 and Rs.0.01 lakhs is proposed for the year 2010-11.

V. Agriculture Credit

10.27 This head covers Special Debentures, Ordinary Debentures and Share Capital to State Land Development Bank. Against the provision of Rs. 35.00 crores for the 11th Five Year Plan, Rs. 1074.48 lakhs were spent during the year 2008-09. Rs.400.00 lakhs are likely to be spent during 2009-10. A sum of Rs. 650.00 lakhs is proposed to be spent for the year 2010-11 for Special Debentures.