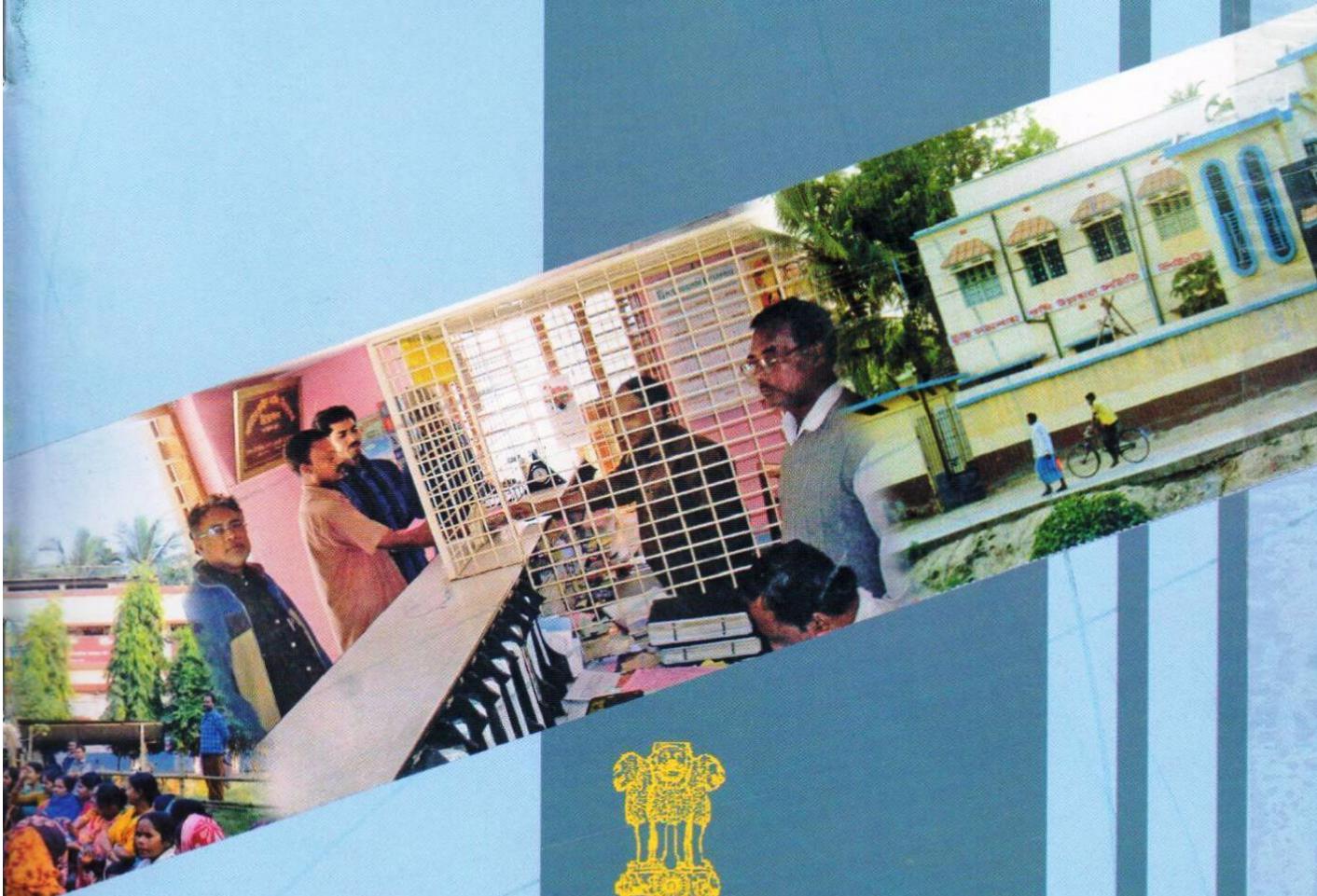


# Empowerment through Cooperatives

May, 2012



Cooperation Department  
Government of West Bengal



## SPECIAL THRUST ON COOPERATIVES

There has been a special thrust on development of co-operatives in the state in recent years through State Government assistance providing substantial impetus. Diverse activities have been introduced and performance in the cooperative sector has seen a quantum leap.

### NEW LAW FOR COOPERATIVES

- State **Cooperative Act and Rules** has been revised by the present Government now aiming at professionalization and self sustenance of the cooperatives.
- **Cooperative Election Commission** has been constituted towards democratization of operations of the Cooperatives to the fullest extent to facilitate their development as self-reliant and economically viable organizations, to enable the Cooperatives to achieve the desired goal towards economic and social change.

### Government Assistance during 2011-12

The State Government has sanctioned substantial financial assistance during the past year for implementing various projects through cooperatives for rural development –

- ❖ 100 Rural Credit Cooperative Societies have been assisted under 'UNIVERSAL MEMBERSHIP' Scheme for enrolment of 39300 farmers from the weaker section as members of these societies for extending facilities to them;
- ❖ Rs.2121.53 lakh has been sanctioned for development of infrastructure including construction of 204 rural godowns;
- ❖ Rs.64.22 lakh has been sanctioned for socio-economic empowerment of women;
- ❖ 483 Rural Credit Cooperative Societies have been assisted with State

Government grant of Rs. 449.76 lakh under 'STRENGTHENING OF PACS' Scheme for hiring of godown, fertiliser and Seed business and marketing of agricultural produces;

- ❖ The total amount of State Government assistance sanctioned for implementation of various purpose under Plan and Non-Plan scheme during 2011-12 is Rs. 7945 lakh.

### BANKING AND CREDIT

The last year recorded impressive achievement in cooperative Banking and Credit sector made in Short Term, Long Term and also in Urban Credit spheres.

The **West Bengal State Cooperative Bank** with its 3 Regional Offices and 17 Central Cooperative Banks have made noteworthy progress in regard to financing subsidized crop loans through 5966 rural **Primary Agricultural Cooperative Societies(PACS)**. **80% of the members of PACS are either Small or Marginal farmers**. As on 31.12.2011, **borrowing membership in this sector alone was 21,60,934 out of total 38,54,685 members** indicating :-

Within only 3rd quarter of the last year:

- |                                           |            |
|-------------------------------------------|------------|
| ➤ <b>No. of new members enrolled</b>      | - 1,65,961 |
| ➤ <b>No. of new members received loan</b> | - 48,604   |

The State Government provides assistance to the eligible poor farmers / artisans under **Universal Share** Scheme to enable them to borrow from the Societies as members. **Such assistance has been raised to Rs. 250/- from Rs. 50/- per member by the present Government.**

Amount of **crop loan** disbursed by the Cooperative Banks in 2011-'12 stood at

Rs. 161455.27 lakh recording an **increase of 16.3% over the previous years' achievement**. Recovery percentage shows improvement too from 77.29 in 2010-'11 to 82.91 in the last year.

There has been greater focus on issue of and financing through **Kisan Credit Cards**, the real empowerment of the rural peasantry. This has made credit delivery more convenient and reduced interest burden on the farming community. Number of Kisan Credit



Cards have steadily increased over the years and by the end of March, 2012, **19,74,217** farmer members were issued these cards out of which **1,00,074 cards have been issued during the last year.**

Though crop loan continues to be the single largest component in loans by the Cooperatives, Banks have also diversified their business by extending term loans for Farm, Farm- allied and Non-Farm activities including loans under self employment schemes.

The last year also witnessed a perceptible progress in the performance of Short Term Cooperative Credit Sector in terms of mopping up rural savings and channelizing the fund for financing the rural clientele.



**Total deposit raised at different tiers in this sector stood at Rs.15,194.31 Crore on 31st. December, 2011.**

Coming to social aspects of lending, special emphasis has been given on formation of **Self Help Groups** to provide alternative credit delivery system to the weaker / have not category of rural population particularly

women living below the poverty line.

(Rs. in lakh)

As on	No. of Self Help Group formed	Total No. of Members	Total No. of women Members	Deposit mobilized	Credit Linkage	
					No. of Groups	Loan Issued
31.12.11	1,66,049	14,31,167	12,29,781	19,705.40	1,15,716	59,064.84

During the first nine months of the last year: -



❖ **No. of new members covered -**

**51,677**

❖ **Loan issued to credit linked Groups - Rs. 6894.84 lakh**

State Government arranged training facilities for skill development of the members of these Groups, 90% of which are women. This guarantees economic development and social empowerment of women in rural areas.

### AT THE DOORSTEP IN THE REMOTEST CORNER

- ❖ Supply of agricultural inputs
- ❖ Remunerative price of Agricultural produce
- ❖ Agricultural autonomy

Apart from mobilization of deposit, which has advanced the process of lending furthermore, PACS carry out different activities. A few other areas of business in far off places are-

- ❖ Fertiliser/Pesticides / Insecticides business,



As on 31.03.2012, no. of PACS distributing fertilizer / pesticides etc. was 2622, out of which 422 PACS started the business in the last year.

188 no. PACS started trading of quality seeds in 2011-'12 raising the total no. to 791 on 31st. March, '12

- ❖ Organic Farming,
- ❖ Vermicomposting Horticulture,
- ❖ Floriculture,
- ❖ Sericulture,
- ❖ Horticulture ,
- ❖ Soil Testing ,
- ❖ Animal Husbandry ,
- ❖ Cattle/ Poultry feed manufacturing,
- ❖ Milk collection, processing / chilling , Minor Irrigation,
- ❖ Arsenic free Drinking Water Supply,
- ❖ Marketing / Processing / Pledging for ensuring remunerative price of agricultural produce
- ❖ Rain Water Harvesting & Conservation
- ❖ Production of certified seed - paddy, vegetables, pulses, oilseeds etc.



PACS have been initiated into production of certified seed - paddy, vegetables, pulses, oilseeds etc. to ensure production of good quality crops. At the end of the last year, seed production was arranged through 600 seed villages in the cooperative sector.

- ❖ Marketing/Processing/Pledging for ensuring remunerative price of agricultural produce.



**Marketing / Pledging  
of Agril. Produce  
at Tungi SKUS, Nawda,  
Murshidabad**

Printed as well as Audio – visual training materials are being published through **Project Management Unit** to sensitize the staff, directors and members of selected Societies to have required skill and knowledge for conducting the identified activities.

#### **LONG TERM CREDIT SECTOR**

- West Bengal State Cooperative Agricultural and Rural Development Bank** with its 2 Branches and 24 affiliated Primary Cooperative Agricultural and Rural Development Banks has been providing schematic term loan in
- ✓ Farm (irrigation, farm mechanization, land development, wasteland development, pisiculture, horticulture, creation of storage facilities etc.),
  - ✓ Non-farm and
  - ✓ Housing sectors in rural Bengal.

Self Help Groups are also formed in remotest areas under the aegis of such Banks. These Cooperative Credit institutions have been providing diversified credit needs to rural people for attainment of financial viability. **In 2011-'12, total lending at the Apex level reached Rs. 22637.31 lakh recording increase from previous years' performance even in recovery.**

#### **URBAN CREDIT SECTOR**

Primary Urban Cooperative Societies / Banks issue loans for various purposes including Housing loan and consumption loan. In urban areas, Urban Credit

Cooperatives including Women Credit Cooperatives play important role in extending banking facilities and issuing diversified loans to the members generating self employment opportunities. Deposits raised together with issue of loans by Urban Cooperative Sector were Rs. 1828.92 Crore and Rs. 2140.95 Crore respectively.

### **MARKETING AND PROCESSING SECTOR**

**Storage capacity 6.03 lakh MT in**

- ❖ 2909 PACS,
- ❖ 267 Primary Agricultural Marketing Societies and
- ❖ BENFED taken together
- ❖ 44 cold storages in the cooperative sector have a total capacity of 3.20 lakh MT as on date.
- ❖ BENFED as an apex marketing federation plays an important role in marketing, processing and storage
- ❖ Achievement of the Apex in the last year:



*Purchase of Potato by PACS in Paschim Medinipur*

Activity	Quantity (in MT)
Fertilizer Distribution	6.60 lakh
Paddy Procurement	83518
Jute Procurement	479.57

### **RASTRIYA KRISHI VIKASH YOJANA**

More infrastructural facilities e.g godowns, cold storages, seed processing units, retail outlet for Self Help Groups, irrigation services etc. out of RKVY fund, RIDF are



*Potato Seed Grader at Kalna-II CADPFSCS, Burdwan*

under construction besides State Plan assistances. Besides augmentation of storage capacity, the present Government has taken immense initiative to establish various processing units under the co-operative fold like Rice Mill, Dal Mill, Food Processing Unit, Vermicompost, Seed Production & Multiplication Units, Oil Mill, Flour Mill, Husking Mill, Groundnut Processing Unit, Chilling Plant, etc. to save the farmers from the clutches of

unscrupulous middlemen and to give better price for their produce and also for better resource mobilisation of the co-operative institutions. Rs. 11.29 Crore has been sanctioned and disbursed under RKVY in the last year.

### **CONSUMERS' SECTOR**

There exists a large network in the Consumers' Cooperative sector comprising of

- ❖ Primary Consumers' Cooperatives
- ❖ 29 Wholesale Consumers' Cooperatives and
- ❖ West Bengal State Consumers' Cooperative Federation Ltd.(CONFED) at the Apex level for distribution of consumer article in rural and urban areas.

Departmental Stores including Self Service Centers are run by the CONFED and Wholesale Consumers' Cooperatives. Besides

retail outlets in the District and Sub-divisional towns, a good no. of Primary Agricultural Credit Cooperative Societies and Primary Agricultural Marketing Cooperatives are engaged in sale of consumer articles in rural areas. CONFED was also engaged in procurement under MSP.



*In a rural Consumers Cooperative Society*

### **Performance of the Apex in 2011-'12 at a glance :**

Total Business: Rs. 365.13 Crore

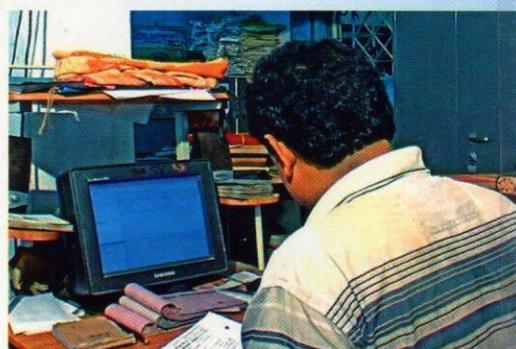
Paddy Procurement : Rs. 58.55 Crore {.16 lakh MT}

### **COMPUTERISATION & e-GOVERNANCE**

For speedy functioning of official works the uses of computers have been given a priority and e-Governance cell has been formed in the Co-operation Directorate. The website of the Cooperation Department [www.coopwb.org](http://www.coopwb.org) has been opened.

Computerization of PACS in all the 18 districts in West Bengal is now in the offing as per the revival package of Short Term Cooperative Credit Structure

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districts in West Bengal is now in the offing as per the revival package of Short Term Cooperative Credit Structure.

It is proposed to connect at least all the blocks with the Cooperation Department at the headquarters and initiate web enabled information dissemination process for the citizens of the state.

### **SAMABAY BHABAN**

With a view to ensuring delivery of prompt and efficient services in a more coordinated manner to all Cooperative Societies, construction of 'SAMABAY BHAVAN' in different districts to bring all offices related to cooperation sector under one roof has been started.



*Samabay Bhavan under construction at Asansol, Burdwan*

### **COOPERATIVE EDUCATION AND TRAINING**

There has been special focus on cooperative education and training through different centres especially under leadership of the West Bengal State Cooperative Union. ICMARD, ACMART in Kolkata, NSRICM at Kalyani, Nadia and RICMARD at Siliguri, Darjeeling are some other important institutions imparting cooperative education.

### **AND VISION AHEAD**

- ❖ To bring all farmer-families under the co-operative network to provide crop loan to larger sections of the farming community, to extend credit even to the landless poorest section of rural mass with special focus on women, SC & ST and minority community.



## Transformation of a village through Cooperative

/ 1952 AD /

Dharampur - a village under Gaighata Block in North 24 Parganas District along the international border where farmers were yet to secure full rights on their land from the clutches of big land holders. There was no basic facility in the village like metal road, electricity, school and health center. Farmers produced crops with their hard labour but lost the major portion of their income to pay exorbitant interest to money lenders. It was this time when Dharampur Krishi Rindan Samabay Samity was founded by 16 farmers of the village under the leadership of Sri Sashi Bhushan Mondal, Sri Basudev Sarkar, Sri Ishan Chandra Khan, Sri Naimuddin Mondal, Sri Nakul Chandra Bala. Inspired by Rabindranath's ideas on co-operative, the society started its business by borrowing '4800/- from the Northern Central Co-operative Bank and distributing it amongst 34 farmers.

/ After six decades - May, 2012 /

❖ Population of the area- 4583. No. of families- 1325. No. of member of the Society- 1390 of which 90% belongs to SC/ST/OBC. No. of SHGs- 132 out of which 115 groups have been formed exclusively by women, No. of members of the SHG- 1640.

❖ 725 members including 487 KCC holders availed loan from the society for various purposes like agriculture, animal husbandry, pisciculture, small trade etc. 64.81 Lakh was disbursed as crop loan to 336 new members with crop insurance and accidental insurance benefits

❖ Volume of Deposit mobilised upto 31.03.12 is ' 4.38 Crore. The society has constructed godown with Government assistance. Trade in Fertiliser, pesticides, seeds etc. is carried out alongwith procurement under MSP. During last year alone the society sold fertiliser and seeds worth '48.00 Lakh and '2.63 Lakh respectively. Farmer's Club of the society provides training on crop protection, fertiliser application etc. Last year the society sold grocery and stationery items worth ' 36.80 Lakh

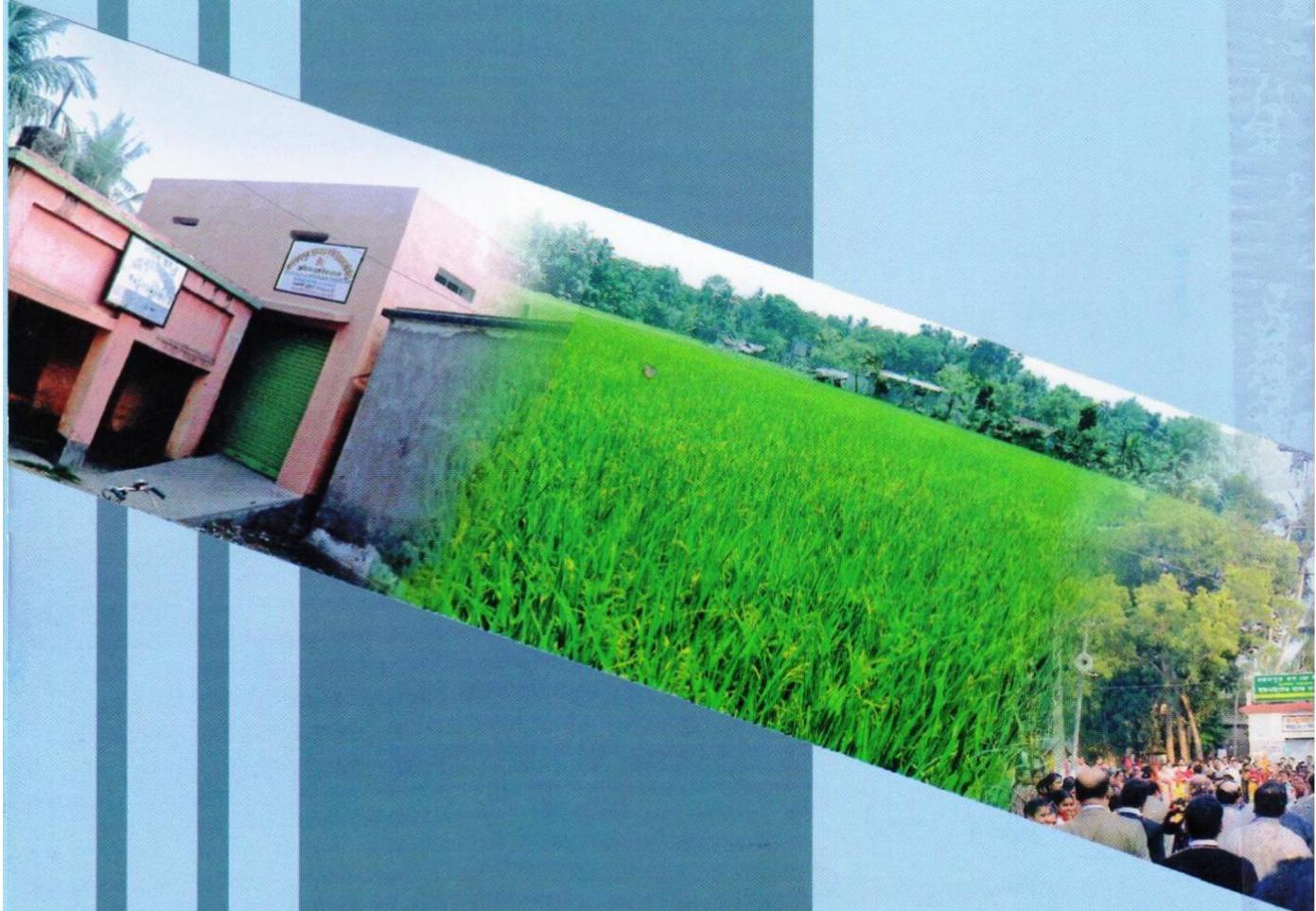


❖ Foundation and certified Paddy seeds of varieties and mustard seeds are produced and sold with the brand name of "Basundhara" under seed village scheme. Training on seed preservation is imparted. Construction of storage godown for seed preservation and grading under RKVY is in the full swing. The Society has established the first modern rice mill of the district with the financial assistance from the State Government to process local paddy. Besides, the society has one modern husking mill, one flour mill and one vermicompost unit

❖ As Dharampur is arsenic prone area, a big Water treatment plant for supply of arsenic free water has been built with the help of financing bank

❖ Under e-governance system, the society extends facilities like electric and telephone bill collection, railway ticket reservation, internet, fax, etc. to the local people. With the endurance of the society, monocrop fields has transformed into multicrop fields. Many villagers became self reliant by taking up non-farm activity. Now the village has drinking water facility, electricity, primary school and primary health centre. Rising literacy rate and standard of living is changing Dharampur from model village into a small town and Dharampur Krishi Rindan Samabay Samity is the catalyst to this transformation.





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