

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO.1851
TO BE ANSWERED ON THE 3RD MARCH, 2020

ROLE OF COOPERATIVES IN AGRICULTURAL SECTOR

1851. SHRI GAUTAM SIGAMAANI PON:
SHRIMATI SUPRIYA SULE:
DR. AMOL RAMSING KOLHE:
SHRI SHRINIWAS PATIL:
SHRI MANICKAM TAGORE B.:
SHRI KULDEEP RAI SHARMA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether village cooperative societies play an important role in the development of agricultural sector, if so, the details thereof;
- (b) whether the Government proposes to strengthen the role of cooperatives in agricultural sector, if so, the steps taken by the Government in this regard;
- (c) whether any financial aid is extended to cooperatives for their role in the development of agricultural sector, if so, the details thereof;
- (d) the details of the performance of cooperatives in organic farming, milk production, poultry farming and fisheries in different States of the country during each of the last three years;
- (e) whether lack of help from cooperative marketing societies has affected farmers in getting remunerative prices for their products, if so, the details thereof and the corrective steps taken by the Government in this regard; and
- (f) the other steps taken by the Government to strengthen village cooperative societies so as to provide strategic inputs for the agricultural sector?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Yes, Sir. The role of cooperatives is important in agriculture sector as it supplies agricultural credit and inputs and has the potential to deliver goods and services in vital areas to supplement efforts of the State and private sectors. The village Cooperative Societies provide strategic inputs for the agricultural sector. Cooperative Marketing Societies help the farmer to get remunerative prices, procurement of commodities as an agent of Government of India and Cooperative Processing units help in value additions to the raw products etc. Cooperatives are also involved in programmes like fodder development, conservation and genetic up-gradation of indigenous breeds of Livestock etc. The cooperatives are also helping weaker sections of the societies for uplifting in their economy through dairy, poultry & fishery cooperatives.

(b): Yes, Sir. Central Government, through Central Sector Integrated Scheme on Agricultural Cooperation, has been promoting the role of cooperatives in the agriculture sector. Assistance is provided for providing training to farmers who are members and employees of various types of cooperative societies. Besides, assistance is provided through the National Cooperative Development Corporation (NCDC) for promoting, developing and financing post-harvest activities through cooperatives in agriculture sector. These comprise, inter alia, marketing, storage and processing of agricultural produce besides supply of agricultural inputs. Subsidy to the tune of 15% to 25% is provided to cooperatives depending on the category of state in addition to term loan. Government also provides Guarantee for procurement operations of NAFED, which are undertaken through primary level and other cooperatives.

(c): Yes, Sir. Ministry of Agriculture and Farmers Welfare implements Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) for cooperatives through National Cooperative Development Corporation (NCDC), a Statutory Corporation under this Ministry, for agricultural and allied activities.

Under the CSISAC scheme subsidy is provided by the Government of India and loan component is provided by NCDC from its own resources. Financial assistance provided under CSISAC scheme during last 3 years is enclosed at **Annexure A**.

(d): Such information is not maintained by this Department.

(e): No, Sir. In order to help the farmers in getting remunerative prices for their produce with a view to encourage higher investment and also to increase production, Government of India declares Minimum Support Price (MSP) for 25 notified agricultural commodities for each Kharif and Rabi crop season. NAFED is one of the Central Nodal Agencies for 16 notified agricultural commodities of Oilseeds, Pulses and Cotton under Price Support Scheme (PSS) and continues to be the sole Central Nodal Agency for procurement of Milling and Ball Copra under Price Support Scheme. Apart from providing support to the farmers by way of implementing various schemes of Central Government/ State Governments such as PSS, PSF, MIS etc., NAFED also procures various agricultural commodities directly from farmers at mandi level through cooperative network in its outright/commercial account.

Further, under the Central Sector Scheme as Integrated Scheme for Agricultural Marketing (ISAM), grants/subsidy are being provided to promote creation of agricultural marketing infrastructure to State, cooperative and private sector investments, to promote creation of scientific storage capacity, to promote pledge financing to increase farmers' income, to promote Integrated Value Chains to provide vertical integration of farmers with primary processors and to support framing of grade standards and quality certification of agricultural commodities to help farmers get better and remunerative prices for their graded produce.

In addition, National Agriculture Market (eNAM) is a pan-India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities has been started under the aegis of Ministry of Agriculture and Farmers' Welfare, Government of India to promote uniformity in agriculture marketing by streamlining of procedures across the integrated markets, removing information asymmetry between buyers and sellers and promoting real time price discovery based on actual demand and supply.

Besides above, NCDC also provides financial assistance under its schemes to marketing cooperatives for the activities such as creating infrastructure facilities, undertaking business operations, working capital assistance for MSP operations, assistance for purchase of transport vehicles and establishment of customer hiring centers, etc.

During the year 2018-19 under the CSISAC Scheme, NCDC has released Rs.115.61 crore with a cumulative assistance of Rs.828.01 crore till 31.3.2019 and for same period NCDC sanctioned working capital assistance of Rs.18875 crore and released Rs.17914 crore.

(f): It has been an endeavour of all the governments to take necessary steps to make cooperative viable and more professional to meet with the emerging competitions. In the recent past Primary Agricultural Credit Societies (PACS) were allowed to diversify their business activities under the CSISAC Scheme. The Under Developed State (UDS) Cooperative Education field projects (41 in numbers), the sub-component of CSISAC, National Cooperative Union of India (NCUI) is providing training and education programme especially for members of the societies, backward classes, women, SC/ST and weaker sections of the societies to sensitize the cooperative societies.

Besides, cumulatively, as on 31.03.2019, NCDC has sanctioned and released financial assistance of Rs.2280.83 crore and Rs.1610.98 crore, respectively for the development of cooperative societies exclusively promoted by women.

Annexure-A

State/UT wise subsidy released under CSISAC Scheme during last 3 years

Rs. in lakh				
S.No.	Name of the State	Subsidy Released under CSISAC		
		2016-17	2017-18	2018-19
1	A & N ISLANDS	0.00	19.71	0.00
2	ANDHRA PRADESH	1176.50	2104.73	433.68
3	ARUNACHAL PRADESH	361.99	466.07	113.75
4	ASSAM	3.98	109.42	292.11
5	BIHAR	887.22	3051.87	1529.08
6	CHATTISGARH	9.29	31.45	3.81
	DELHI	0.00	0.00	0.00
7	GOA	4.12	3.63	0.00
8	GUJARAT	902.85	547.41	2164.23
9	HARYANA	70.10	82.63	11.68
10	HIMACHAL PRADESH	1060.58	533.19	1738.90
11	J&K	0.00	159.72	0.00
12	JHARKHAND	114.96	162.27	82.75
13	KARNATAKA	66.09	262.38	70.50
14	KERALA	58.38	1083.62	175.66
15	MADHYA PRADESH	609.30	419.68	876.38
16	MAHARASHTRA	377.66	564.01	110.09
17	MANIPUR	0.00	0.00	0.00
18	MEGHALAYA	0.57	0.00	1347.00
19	MIZORAM	439.79	315.06	0.00
20	NAGALAND	112.66	844.24	399.04
21	NATIONAL FEDN. / MSCS	0.00	0.00	0.00
22	ODISHA	130.30	212.04	32.07
23	OTHERS	34.65	25.76	19.56
24	PUNJAB	68.59	0.00	411.41
25	RAJASTHAN	662.17	2131.66	647.43
26	SIKKIM	0.00	0.00	0.00
27	TAMIL NADU	268.42	1486.95	0.00
28	TELANGANA	1941.31	3688.46	1148.29
29	TRIPURA	51.00	0.00	0.00
30	UTTAR PRADESH	1528.71	146.84	236.50
31	UTTARAKHAND	144.79	81.96	83.32
32	WEST BENGAL	98.71	754.35	632.13
	Total	11184.67	19289.10	12559.36
