III. CO-OPERATION

The total outlay provided for the Co-operative sector is Rs**.** 15.30 crores for the Annual Plan 2008-09 and the amount is provided to continue the ongoing schemes of the sub sector. During the year it is proposed to continue the second phase of ICDP in Wayanad district and a modernisation programme of the department is also provided for completion. A separate provision for extending credit subsidy for the promotion of paddy farming as part of flagship project is provided for implementation through cooperatives in the Annual plan 2008-09**.** An outlay of Rs.500.00 lakh is provided under RIDF to take up infrastructure projects during the year 2008-09 in the cooperative sub sector.

I. Education, Research and Training

1. Assistance to State Co-operative Union, Circle Co-operative Union and Institutes of Co-operative Managements.

(Outlay Rs. 45 .00 lakh)

Under this scheme, assistance is provided to:

(a) Kerala State Co-operative Union for meeting a portion of the cost of Member Education Programme.

(b) ICM, Thiruvananthapuram for conducting regular training programmes and seminars.

(c) Institute of Co-operative Management, Kannur for meeting a portion of infrastructure support and for meeting the training expenses for departmental personnel.

(d) Assistance to ACSTI, Thiruvananthapuram for providing training to the department officers

II.Credit Co-Operatives

2. Implementation of Schemes financed by NCDC (ICDP) – State Share

(Outlay Rs.100 .00 lakh)

Integrated Co-operative Development Project is under implementation in Thiruvananthapuram, Kollam, Alappuzha and Kozhikode Districts. NCDC has sanctioned second phase of the project in Wayanad district and expected to commence during this year. The outlay is to meet the 50% share of subsidy component under the scheme.

During 2008-09, four District Co-operative banks will be assisted under this scheme.

3. Schemes under Macro Management (SS10%)

(Outlay Rs. 30 .00 lakh)

The outlay envisaged is to provide

(a) Assistance to SC/ST Co-operatives/Federation.

(b) Assistance for Non-overdue cover to District Co-operative Banks.

(c) Agricultural credit stabilisation fund of Kerala State Co-operative Bank.

(d) Assistance to Women Co-operatives by way of 40% share, 20% subsidy and 40% loan for implementing employment oriented projects.

During 2008-09, it is proposed to assist 150 SC/ST Co-operatives, 10 Women Co-operatives, two district Co-operative Banks and Kerala State Co-operative Bank.

4. Assistance to Credit Co-operatives/Banks

(Outlay Rs. 325 .00 lakh)

The outlay provided is for assistance to the Primary Agricultural Credit Societies for the following activities.

(a) Share Capital contribution to PACs for the promotion of Self Help Groups, and initial expenses for good working SHGs under PACs/DCBs except interest subsidy

(b) Share contribution towards Deposit Guarantee Scheme for credit Co-operatives not coming under the purview of Banking Regulation Act.

(c) Share contribution towards welfare funds to be contributed by DCBs for writing off the agricultural loans on the death of loanees during the period of repayment.

(d) Share contribution Assistance towards Crop insurance Risk Fund fund created in DCBs from the contribution of PACs, DCBs, KSCB, PCARDB, KSCARDB and ultimate Agricultural borrowers.

(e) Share contribution and loan for facilitating PACS to provide agricultural loan at concessional rate of interest.

(f) Incentive to SC/ST Co-operatives, Women Co-operatives and SHGs promoted by PACs which provides loans for paddy cultivation.

During 2008-09 it is proposed to provide share capital to 200 PACs and proposed to assist 14 DCBs under Deposit Guarantee Scheme and approximately 12000 loanees under Risk fund scheme.

III. Processing Co-operatives

5. Promotion of Processing Co-operatives – NCDC Assisted – State share

(Outlay Rs. 250 .00 lakh)

NCDC provides assistance for installation of processing units/rehabilitation of sick units by extending assistance up to 65% of the block cost by way of loan. The State Government has to meet 26% of the cost by way of share capital contribution and the remaining 9% has to be shared by beneficiary societies. All types of co-operatives coming forward with viable projects will be eligible for the assistance. The assistance will be released to projects vetted by an expert group based on certain eligible criteria.

The outlay provided is to meet the 26% of state share. It is proposed to assist 15 societies under this scheme during 2008-09.

IV. Consumer Co-operatives

6. Assistance to Consumer Co-operatives

(Outlay Rs.50 .00 lakh)

The scheme is to provide assistance for the Reorganisation/Revitalisation of District Wholesale Co-operative Stores and Primary Co-operative Consumer Stores, Expansion of Co-operative Canteens, Development of consumer Co-operatives in urban and rural areas. Revitalisation of School/College co-operative societies. Under this scheme, assistance will be provided by way of share capital contribution, loan and subsidy based on the specific project proposals. It is proposed to assist 10 societies during 2008- 09 on the basis of criteria for eligibility and priority.

7. Assistance to Neethi Stores

(Outlay Rs. 25 .00 lakh)

Neethi Stores are intended for distribution of quality consumer items at reasonable prices. By reducing margin the Neethi Stores are able to sell quality goods at a price comparatively lower than the open market price. Besides, Neethi Stores, State Government have organized 'Neethi Medical Stores.' attached to the Taluk Hospitals in the State in order to supply medicines at a lower price.

Under this scheme assistance is provided to Neethi Stores and Neethi Medical stores by way of share, loan and subsidy for expansion of business of these stores.

During 2008-09 it is proposed to assist Kerala State Co-operative Consumer Federation and 100 Primary Agricultural Credit Societies by way of share capital , loan and subsidy for running Neethi Stores. The selection will be based on eligibility and prioritization criteria.

V. Housing Co-Operatives

8. Share Capital Assistance to Primary Housing Co-operatives

(Outlay Rs. 50 .00 lakh)

Housing programmes in the Co-operative sector are implemented through affiliated Primary Housing Societies. The provision is for giving financial assistance in the form of share capital contribution to primaries to make them eligible to raise loans from HUDCO, National Housing Bank, LIC etc. through the Federation. The outlay provided is also intended for giving adequate financial support to non affiliated Primary Housing Co-operatives for advancing to Economically Weaker Sections (EWS), Lower Income Groups and Middle Income Groups during the interim period of non affiliation. During 2008-09 it is intended to assist 100 Primary Housing societies by giving share capital assistance on a normative basis to decide eligibility.

VI. Other Co-operatives

9. Assistance to Miscellaneous Co-operatives

(Outlay Rs.60 .00 lakh)

The scheme is for extending assistance to different categories of co-operatives for implementing various employment oriented programmes. The assistance will be in the form of share capital contribution, loan and managerial grant and subsidies.

The following types of societies are assisted under the scheme**.**

(a) Assistance to women co-operatives for implementing employment oriented programme including support to Self Help Groups in partnership with Kudumbasrees.

(b) Financial assistance to Co-operative Hospitals/Dispensaries for establishing medical stores.

(c) Financial assistance to Apex Federation of Hospital societies.

(d) Share contribution to Employees Credit Co-operatives.

(e) Assistance to Education Co-operatives.

(f) Assistance to Motor Transport Co-operatives/Autorickshaw Drivers Co-operatives

(g) Assistance for societies starting professional courses including Hotel Management, Catering, Travel and Tourism.

(h) Assistance to SC/ST co-operatives for implementing new viable projects.

(i) Assistance for societies starting well equipped Medical Laboratories and Blood Banks.

(j) Assistance for "Mangalya Soothra Co-operative Societies" for extending credit facilities for marriage purposes of the girls belonging to low income group families.

During 2008-09, it is proposed to assist 100 miscellaneous societies by providing share contribution and subsidies. Selection will be based on clear criteria of eligibility and norms for priority.

10. Assistance to Co-operative Societies for Expansion and Diversification activities

(Outlay Rs.25.00 lakh)

The scheme is to provide assistance to co-operative societies for taking up viable commercial operations. All categories of societies with a good track record and working results for a minimum of three years are eligible for project based financial assistance on the basis of the recommendation of the High Level Committee constituted for this purpose which will evolve transparent criteria for ranking proposals.

11. Rehabilitation Package for Weak but Potentially Viable Co-operatives

(Outlay Rs.25 .00 lakh)

The scheme is intended for rehabilitating certain potentially viable co-operative institutions. Under this scheme all categories of co-operative societies including weak Apex Co-operative Societies can be provided assistance based on feasible project reports and clear criteria of eligibility and priority among eligible societies prescribed by the department. The rehabilitation proposal will be scrutinized by the High Level Committee constituted for the purpose and the amount will be released on the basis of the recommendations of the High Level Committee.

The following criteria would be followed for deciding basic eligibility of societies for the consideration of High Level Committee:

(a) Societies with cumulative loss not exceeding own fund of the society.

(b) Societies with minimum 10 years of effective working experience

VII. Administrative Reforms

12. Administrative Reforms in Co-operative Department

(Outlay Rs.5 .00 lakh)

The outlay is for implementing various administrative reforms currently implemented by the department. The outlay is provided is for meeting expenses excluding salary and other establishment charges.

VII. Modernisation and Publicity

13. Modernisation of Co-operative Department

(Outlay Rs.15 .00 lakh)

Under this scheme, assistance will be provided for the completion of computerisation of 38 Assistant Registrar Offices(Audit), purchase and maintenance of fax machines for J.R. offices in the District. Internet connection/Intercom facility to the Head Office/District Office, printing of periodicals, circulars, rules and formats will also be met from this provision. The outlay will also be utilised for developing co-operative society information system, revenue collection tracking system, plan monitoring system and other softwares for the effective functioning of the department, by linking the head office and lower level offices.

14 Co-operative Propaganda (New Scheme)

(Outlay Rs. 25 .00 lakh)

The outlay provided is for the organisation of conference on Co-operative movement, to organise Co-operative congress, supporting all India Co-operative Agro Industrial Marketing, Educational exhibition, Propagation of Co-operative Principles, Co-operative literature and the literature on government Programmes and policies.

IX. Infrastructure

15. RIDF Assistance

(Outlay Rs.500 .00 lakh)

The outlay is provided for taking up infrastructure projects related to marketing, agro processing, health cooperatives etc. Detailed project will be prepared for the approval of NABARD. A major project will be linked with the flagship projects provided in the agriculture and allied sectors.