



**CO-OPERATION, FOOD AND  
CONSUMER PROTECTION DEPARTMENT**

**CO-OPERATION**

**POLICY NOTE  
2021–2022**

**DEMAND No : 12**

**I. PERIASAMY**  
**Minister for Co-operation**

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Government of Tamil Nadu  
2021

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## **INTRODUCTION**

1. The Cooperative sector plays a vital role in the economic development of the country and hence it has been recognised as an integral part of our national economy. The Cooperative movement, which is the largest Socio-economic movement in the world, has contributed significantly to the alleviation of poverty, creation of productive employment as well as the enhancement of social integration in the country.
2. Tamil Nadu is the pioneering State as far as the Cooperative movement is concerned. The first Cooperative Credit Society in the country was started at Thirur, Thiruvallur District in the year 1904. During the same year, Triplicane Urban Cooperative Society and Big Kancheepuram Cooperative Town Bank were also started in TamilNadu.

3. Cooperatives have played a vital role in the State in increasing agriculture production by providing crop loan, particularly interest free crop loan to those farmers who repay promptly extending investment credit for agricultural allied activities, providing rural godowns for storing agricultural produce; and supplying fertilizers, seeds and agricultural implements for agricultural development.
4. Cooperatives also help in the Upliftment of tribal people by ensuring remunerative prices for their produce such as Samai, Varagu, Tamarind and Honey. Financial assistance is being provided to such societies for packaging and marketing these products with common trade name.
5. To store agricultural produce at the time of harvest and also to avoid distress sale of agricultural produces, Cooperatives at

various levels have built 3,879 Godowns with a capacity of 5,10,600 MT. all over the State.

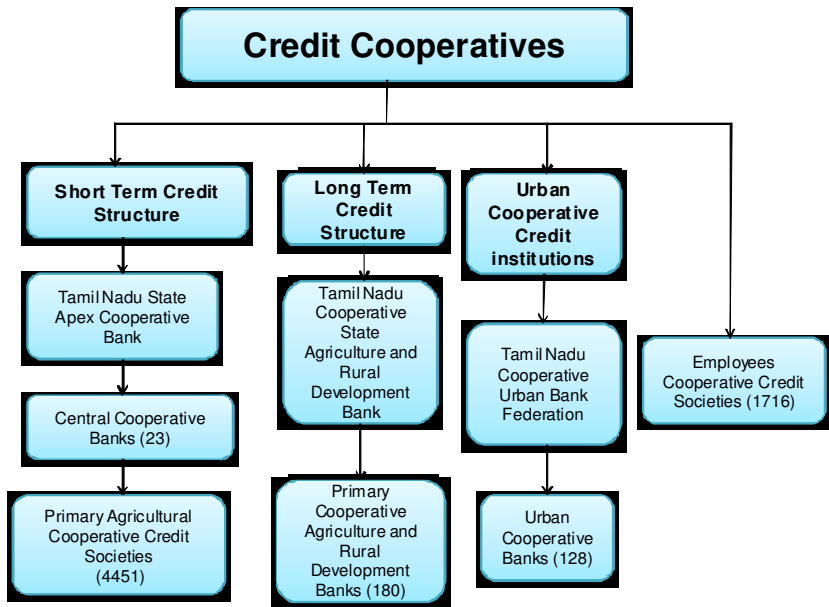
6. Cooperative Societies have been playing a vital role in Public Distribution System by running 33,068 number of Fair price Shops in the State. Essential commodities are distributed to 2,13,00,000 family card holders by the Fair Price Shops run by Cooperative Societies. Moreover, Special Public Distribution commodities like Toor Dhal, Palmolein are also distributed through these shops. Special Corona cash relief of Rs.4,000/- of each rice card holders was distributed in two installments in the months of May and June 2021 through these shops. Besides, kit containing 14 grocery items was also supplied to the rice card holders through them.

## **CHAPTER – I**

### **COOPERATIVE CREDIT STRUCTURE**

**1.1** The Cooperative Credit Structure in Tamil Nadu is the largest institutional credit delivery system. Credit Cooperatives are financial organizations owned and controlled democratically by its members. Apart from providing standard banking services of deposit collection, extending credit and fund transfer, it also undertakes supply of agricultural inputs and farm implements in the rural areas. They also implement various schemes of the Government, National Bank for Agriculture and Rural Development (NABARD) etc., for the socio-economic development of the people.

**1.2** The Cooperative Credit Institutions in Tamil Nadu are broadly classified into four distinct categories namely, Short Term Cooperative Credit Structure, Long Term Cooperative Credit



Structure, Urban Cooperative Credit institutions and Employees Cooperative Thrift and Credit Societies.

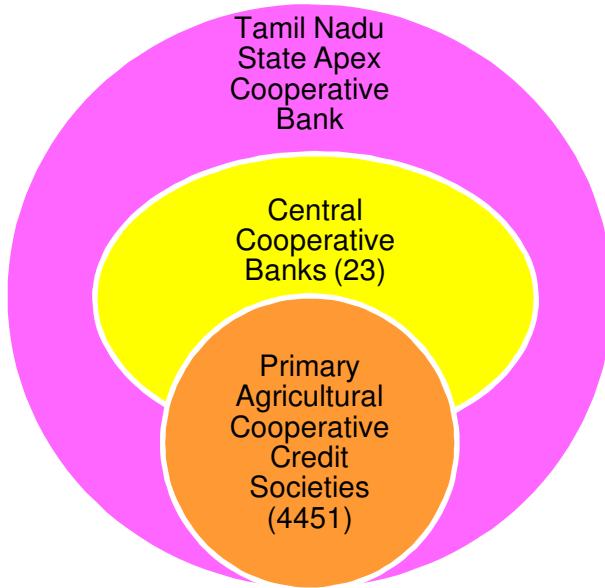
The Reserve Bank of India supports the Co-operative structure by providing concessional finance through **NABARD** in the form of General

Lines of Credit for lending to agricultural and Non-agricultural activities. Thus, the Cooperatives are integrated with the **Banking structure of the country.**

## **2. Short Term Cooperative Credit Structure**

The Short Term Cooperative Credit Structure comprises **4,451** Primary Agricultural Cooperative Credit Societies (PACCS) at Village level, **23** Central Cooperative Banks (CCBs) at District level and Tamil Nadu State Apex Cooperative Bank (TNSACB) at State level. They play a crucial role in augmenting rural credit for agriculture and Non-agriculture sector.



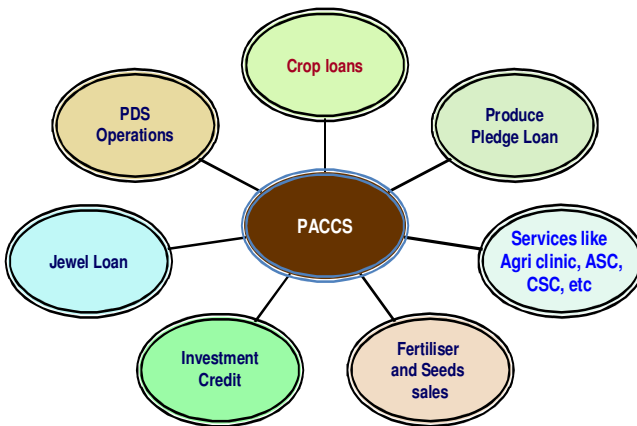


## **2.1 Primary Agricultural Cooperative Credit Societies**

Primary Agricultural Cooperative Credit Society is an institutional setup that caters to the economic needs of the members who reside in the area of operation of the society. These societies pave the way for all people to become a member of the society without any discrimination. Since people of different sections who reside within the

area of operation of the society are eligible to become members, they are brought together under a common organization which plays a vital role in the economic upliftment of rural people.

## Functions of PACCS



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In the State, 4,451 Primary Agricultural Cooperative Credit Societies are functioning. Their main objective is to provide Agricultural and Non-Agricultural credit in rural areas. Agricultural

credit includes crop loans and loans for allied agricultural activities like purchase of farm machineries, micro irrigation, purchase of milch animals etc. Non-Agricultural credit includes loans for housing, income generating activities of Self Help Groups and other non-farm sector loans. These societies undertake distribution and sale of agricultural inputs like fertilizers, seeds etc.,. These societies not only encourages farm mechanization by providing agricultural implements like tractor, power tiller etc., at low cost hiring to Small and Marginal farmers but also reduces input cost of an individual to a great extent. Thus paving a way for increasing the income of the farmers.

These societies provide citizen centric services of Government to the people through Common Service Centres (CSC), especially Revenue Department services such as Income certificates, community certificates, Nativity

Certificate, Destitute widow certificate, First graduate certificate, Land records and Social Welfare Department's services. In addition, **23,503** full time Fair Price shops, **9,565** part time Fair Price shops and **49** Mobile Fair Price shops are being run by Primary Agricultural Cooperative Credit Societies.

The performance of Primary Agricultural Cooperative Credit Societies during the last five years is given below:

Amount (Rs. in crore)

Details	2016-17	2017-18	2018-19	2019-20	2020-21 (unaudited)
Deposits	7,352.64	6,606.17	6,371.79	6,657.61	7,131.35
Loan Disbursement	15,403.51	17,784.88	19,723.89	22,746.86	28,276.17

## 2.2 Central Cooperative Banks

A Central Co-operative Bank is a federation of primary societies covering specified area. There are 23 Central Cooperative Banks functioning in

the State. They extend credit and banking support to all affiliated Co-operatives such as Primary Agricultural Co-operative Credit Societies (PACCS), Consumer Co-operative stores, Agricultural Producers Cooperative Marketing Societies, Cooperative Sugar Mills, Weavers Cooperative societies, Employees Cooperative Thrift and Credit Societies, Cooperative Spinning Mills etc.

These banks raise resources through public deposits, borrowings and refinance from Tamil Nadu State Apex Cooperative Bank and NABARD. These banks have **908** branches which extend banking services directly to the public throughout the State.

All the 23 Central Co-operative Banks are functioning in current year profit. They have also obtained banking license from the Reserve Bank of India.

The performance of Central Cooperative Banks is given below:

Amount (Rs. in crore)

Sl.No	Details	2016-17	2017-18	2018-19	2019-20	2020-21 (unaudited)
1	Member's Share Capital	1,252.23	1,308.93	1,434.38	1,489.00	1,661.71
2	State Government's Share	67.94	68.32	65.20	70.04	68.83
3	Reserves and Surplus	3,460.53	3,480.12	3,591.96	3,724.30	3,935.09
4	Deposits	28,343.91	27,693.41	28,792.35	30,316.00	31,927.28
5	Borrowings	4,340.41	4,885.59	6,324.87	8,478.87	6,729.60

Modern Banking Services provided on par with Nationalised and Commercial Banks:

- CORE Banking Solution (CBS) has been implemented.

- Fund Transfer Facilities – Real Time Gross Settlement (RTGS)/ National Electronic Fund Transfer (NEFT)
- Mobile Banking Services
- SMS Alert facilities
- ATM facilities at 76 places.

Rupay Debit Cards were issued to the customers of the Central Cooperative Banks. The Rupay Kisan Credit Cards have also been issued to the loanee farmers of Primary Agricultural Cooperative Credit Societies to enable them to operate their accounts digitally. Micro ATM installation is under progress to provide banking services at the door steps of the customers.

### **2.3 Tamil Nadu State Apex Cooperative Bank (TNSACB)**

The State Cooperative bank is a federation of the Central Cooperative Banks and acts as custodian of the Cooperative banking structure in the State. The Tamil Nadu State Apex Cooperative

Bank was established in the year 1905. The Tamil Nadu State Apex Cooperative Bank lends money to Central Cooperative Banks and to Primary Cooperatives.

It raises funds through Public deposits, refinance from National Bank for Agriculture and Rural Development (NABARD) and loans from higher financing institutions like National Cooperative Development Corporation (NCDC). It also manages the surplus funds of the affiliated Cooperative Societies and provides expertise in funds management. Further, it renders direct banking services to the public through it's **47** branches located in Chennai.

The Agricultural Cooperative Staff Training Institute (ACSTI) run by the Tamil Nadu State Apex Cooperative Bank conducts training programmes for capacity building of the staff of Central Cooperative Banks and Primary



Agricultural Cooperative Credit Societies. **1993** staff members were imparted training during the year 2020-21 on subjects like credit appraisal, funds management, business development and Non-Performing Assets management.

The Tamil Nadu State Apex Cooperative Bank continues to remain as a financially viable institution. The comparative performance of the Apex Cooperative Bank during the last five years is given below:

Amount (Rs. in crore)

Details	2016-17	2017-18	2018-19	2019-20	2020-21 (unaudited)
Member's Share Capital	291.77	291.77	308.23	314.52	363.56
State Government's Share	20.26	20.26	20.26	20.26	20.26
Reserves and Surplus	778.66	598.01	608.11	622.70	800.71
Deposits	11,240.46	8,305.54	8,384.60	11081.93	10674.73
Borrowings	2,455.26	2,844.19	3,222.90	4199.40	9567.30
Net Profit	43.70	81.83	81.87	82.15	174.16

In its endeavor to provide services on par with Nationalised and Commercial Banks, Tamil Nadu State Apex Cooperative Bank has implemented the following:

- CORE Banking Solution (CBS).
- Fund Transfer Facilities – Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT) and Immediate Payment Services (IMPS)
- Internet banking services
- Mobile Banking Services
- SMS Alert facilities
- ATM facilities at 13 places in Greater Chennai Corporation.

The Rupay Debit Cards are also being issued to the customers of Tamil Nadu State Apex Cooperative Bank. These can be used in any ATM (Automated Teller Machine) in India. The Tamil Nadu State Apex Cooperative Bank is also playing

vital role in guiding the Central Cooperative Banks in adopting modern banking Practices.

The Tamil Nadu State Apex Cooperative Bank has been maintaining the **Primary Cooperative Development Fund (PCDF) and Deposit Guarantee Fund (DGF)**. The Primary Cooperative Development Fund is created out of the contributions from the Central Cooperative Banks for the purpose of strengthening the Primary Agricultural Cooperative Credit Societies and to improve infrastructure facilities in Primary Agricultural Cooperative Credit Societies. As on 31.07.2021, a sum of **Rs.45.58** crore is available in the Primary Cooperative Development Fund.

The Deposit Guarantee Fund is created out of contributions from the Tamil Nadu State Apex Cooperative Bank, Central Cooperative Banks and Primary Agricultural Cooperative Credit Societies. This fund is utilized for refunding the public

deposits mobilized by the Primary Agricultural Cooperative Credit Societies whenever the PACCS are unable to refund the depositors. The Deposit Guarantee Fund helps in restoring confidence of the public in the Cooperative institutions and in enhancing credibility of the Cooperative institutions. As on 31.07.2021, sum of **Rs.322.75** crore is available in the Deposit Guarantee Fund.

## **2.4. Services rendered by the Cooperative Credit Societies**

### **(i) Crop Loan**

Cooperative Societies are disbursing crop loans to the farmers by obtaining all mandatory records required under KCC scheme like patta, chitta, and certificate for cultivation of crop (adangal) issued by Revenue authorities. Efforts have been made to achieve inclusive growth by extending crop loans to new farmers including Small Farmers, Marginal Farmers, Scheduled Caste and Scheduled Tribe farmers.

The Co-operatives in the State extend crop loan to the farmers at 7% interest rate. However, farmers are provided interest free Crop loan i.e. no interest is charged upon the farmers who repay the Crop loan on or before the due date. To compensate the interest loss to the societies, the Government of Tamil Nadu provides 4% interest incentive in addition to the Government of India's 3% interest incentive to the farmers who repay the crop loan on or before the due date. The Government of Tamil Nadu provides 2% interest subsidy to the Co-operatives over and above the interest subvention received from Government of India for the disbursement of crop loans.

Crop loans to the extent of Rs.**9504.13** crore was disbursed to **12,37,448** farmers during the year **2020-21**. Out of this, an amount of Rs.**755.81** crore was disbursed to **1,14,330** SC/ST farmers. A target of Rs.11,500 crore has

been fixed for Crop Loans through Co-operatives for the year 2021-22.

During the year 2021-22 upto 31.07.2021, Crop loan to the tune of Rs.763.01 crore was disbursed to 98,036 farmers. Out of this, an amount of Rs.53.30 crore was disbursed to 7,823 SC/ST farmers.

### **(ii) Loans to Joint Liability Groups (JLGs)**

Joint Liability Groups are formed comprising of small and marginal farmers, tenant cultivators, share croppers and oral lessee who hitherto could not access credit from institutional sources and loans are being issued to the members of these groups. Through this, farmers who do not own lands but cultivate crops are also being enabled to get interest free loan.

During the year **2020-21** crop loan of Rs.**444.44** crore was disbursed to **12,776** Joint Liability Groups and Medium Term investment

credit to the tune of **Rs.35.43 crore** was disbursed to **1,127** Joint Liability Groups.

During the year 2021-22 upto 31.07.2021, Crop loan of Rs.12.09 crore was disbursed to 283 Joint Liability Groups and Medium Term Investment Credit to the tune of Rs.0.55 crore was disbursed to 78 Joint Liability Groups.

### **(iii) Investment Credit for Agricultural and allied activities**

With the objective of increasing the farmers income and promoting capital formation and to ensure a sustained growth in agriculture production and agricultural productivity, the Cooperatives are encouraged to continue to extend credit for investment activities in agriculture such as micro irrigation, land development, farm mechanization, Animal husbandry, Fisheries etc,.

During the year **2020-21**, Investment Credit of **Rs.420.79** crore was disbursed to **55,283** farmers.

During the year **2021-22 upto 31.07.2021**, Investment credit of **Rs.16.94** crore was disbursed to **2,085** farmers.

#### **(iv) Produce Pledge Loan**

Produce Pledge loan is extended to the farmers on pledging their produce kept in godowns. Pledging of the produce enable the farmers to avail loan as well as helps to store their produce during peak harvest season and selling their produce at a more opportune time with remunerative price.

Produce Pledge loan to the extent of **Rs.336.30** crore was disbursed to **10,749** beneficiaries during the year **2020-21**.



**During the year 2021-22 upto 31.07.2021, Produce Pledge loan of Rs.63.29 crore was disbursed to 2233 beneficiaries.**

**(v) Financial Assistance to Self Help Groups (SHG)**

The Co-operative Credit Institutions are encouraged to increase their lending to Self-Help Groups and fulfill their credit needs.

Promoting the availability of institutional credit to all (financial inclusion), Self Help Group loan to the extent of **Rs.1,699.81** crore was disbursed to **54,434** Self Help Groups during the year **2020-21**.

**During the year 2021-22 upto 31.07.2021, Self Help Group loan of Rs.78.54 crore was disbursed to 2,004 Self Help Groups.**

## **(vi) Loans to Differently Abled Persons**

As a measure to improve the standard of living of the differently abled persons, the Co-operative institutions are extending credit facilities for undertaking various economic and income generating business activities. No interest is being charged from those who repay the loan promptly.

Loans to Differently Abled Persons was issued to the tune of **Rs.33.68** crore to **6,461** Differently Abled Persons during the year **2020-21**.

**During the year 2021-22 upto 31.07.2021, an amount of Rs.3.97 crore was disbursed to 696** Differently Abled Persons.

## **(vii) Micro Credit to Petty Traders**

To prevent the Petty Traders from availing loans from the private money lenders at high interest rate and to bring the unbanked under the

ambit of formal banking system, the Central Co-operative Banks and Urban Cooperative Banks provide micro credit at lower interest rate to Petty traders for doing small business like selling of flowers, vegetables, fruits and running petty shops etc. The concept of group lending is encouraged for the disbursement of micro credit and the petty traders availing these loans under this scheme are made as surety for each other and they take responsibility to repay loan.

An amount of **Rs.289.43** crore was disbursed to **95,303** Petty Traders during the year **2020-21**.

**During the year 2021-22 upto 31.07.2021, an amount of Rs.57.51 crore was disbursed to 16,640** Petty Traders.

### **(viii) Women Entrepreneur Loan Scheme**

The Central Co-operative Banks and Urban Co-operative Banks are providing loans up to

Rs. 10 lakhs to women entrepreneurs to start small business activities.

To support economic empowerment of women, an amount of **Rs.50.01** crore was disbursed to **10,689** women entrepreneurs during the year **2020-21**.

**During the year 2021-22 upto 31.07.2021, an amount of Rs.9.48 crore was disbursed to 1,799** women entrepreneurs.

#### **(ix) Working Women loan Scheme**

Under this scheme, the Central Co-operative Banks and Urban Cooperative Banks are providing consumer loans to working women earning monthly income.

An amount of **Rs.70.24** crore was disbursed to **3,089** Working Women during the year **2020-21**.

**During the year 2021-22 upto 31.07.2021, an amount of Rs.11.64 crore was disbursed to 508** Working Women.

## **(x) Crop Insurance**

**Pradhan Mantri Fasal Bima Yojana (PMFBY)** is being implemented in the State from the year 2016 to provide financial support to farmers suffering crop loss/ damage arising out of unforeseen events and to stabilise the income of the farmers.

During the year **2020-21**, **3,87,808** farmers have been enrolled through cooperatives and an amount of **Rs.47.32** crore has been collected as farmers' share of premium and remitted to the respective insurance companies. **Upto 31.07.2021** a sum of **Rs.5,696.43** crore has been disbursed to **25,95,893** farmers, who have insured their crops from the year 2016-17 onwards through the cooperative institutions as compensation against yield loss.

## **(xi) Common Service Centers**

The objective of the Common Service Centres of Cooperatives is to clear the bottlenecks

and ensure the prompt delivery of public services. To make all services of Government accessible to the common man in an integrated manner, under a single roof, at an affordable cost, Common Service Centres have been established in Cooperative Institutions in all districts of the State, especially in semi-urban and remote rural areas. At present, there are 4,412 Common Service Centres run by Cooperatives in the State. These centres provide a variety of e-services to the people through portals such as e-Seva and Digital Seva. These e-services include Revenue department services such as issue of Income certificate, Community certificate, Nativity Certificate, destitute widow certificate, First Graduate Certificate, extract of land records etc., Social welfare Department services and Registration Department services such as Encumbrance Certificate and Certified Copy, etc.

During the year 2020-2021, 48,01,780 services have been offered by the Common

Service Centres to the public and an income of Rs.16.29 crore was earned by the Cooperative Societies.

During the year **2021-22 upto 31.07.2021**, Common Service Centres has offered **12,17,359** services to the public and an income of Rs.**3.69** crore was earned by the Cooperative Societies.

### **3. Long Term Co-operative Credit Structure**

Long term Cooperative Credit Structure comprises Tamil Nadu Cooperative State Agriculture and Rural Development Bank at the State level and **180** Primary Cooperative Agriculture and Rural Development Banks at Taluk / Block level.

#### **3.1. Tamil Nadu Co-operative State Agriculture and Rural Development Bank**

Tamil Nadu Cooperative State Agriculture and Rural Development Bank (TNCSARDB)

provides loan facilities to Primary Cooperative Agriculture and Rural Development Banks for Long Term agricultural operations. Long Term loans are not issued from 2004, since refinance from NABARD was not available for want of Government guarantee. In February 2021, the Government has issued Guarantee for Rs.100.00 crore to avail refinance from NABARD for re-starting Long-Term lending operations.

As on 31.03.2021, the share capital of the Bank stood at Rs.**51.31** crore and deposits have been mobilized to the tune of Rs.**290.18** crore. During the year **2020-21**, the bank has disbursed jewel loans to the tune of Rs.**1,111.69** crores.

During the year **2021-22 upto 31.07.2021**, the bank has disbursed jewel loans to the tune of Rs.**78.69** crore.



### **3.2. Primary Cooperative Agriculture and Rural Development Banks**

There are **180** Primary Cooperative Agriculture and Rural Development Banks functioning in the State. These banks are at present issuing jewel loans out of their own funds.

During the year **2020-21**, these banks have disbursed jewel loans to the tune of **Rs.1,425.65** crore. Common Service Centers have been started in 154 Primary Cooperative Agriculture and Rural Development Banks and these centers provide various e-Services to the public.

During the year **2021-22 upto 31.07.2021**, jewel loans to the tune of **Rs.43.40** crore has been disbursed.

### **4. Urban Cooperative Credit Structure**

Urban Cooperative Credit Structure comprises the Tamil Nadu Cooperative Urban Bank Federation at State level and **128** Urban

Cooperative Banks and **116** Urban Cooperative Credit Societies in the Urban and Semi urban areas.

#### **4.1 Tamil Nadu Cooperative Urban Banks Federation**

The Tamil Nadu Cooperative Urban Banks Federation has been functioning with the main objective of promoting the development of urban cooperative credit movement in the State and assisting the Urban Cooperative banks to fulfill the credit needs of the urban population. The Federation also assists the Urban Cooperative Banks in matters relating to management, training to the staff members and adoption of modern banking technologies by the banks.

#### **4.2. Urban Cooperative Banks**

Urban Cooperative Banks are providing banking and credit facilities to the people residing in urban and semi urban areas. At present 128

Urban Cooperative Banks are functioning in the State. These banks mobilize deposits from the public and extend credit facilities for various purposes like housing, business and other non-farm sector activities, including Jewel loans to meet the urgent and household needs of the members. To provide modern banking services to the customers, CORE Banking solutions has been implemented in Urban Cooperative Banks. Steps are being taken to implement ATM facilities in Urban Cooperative Banks.

The deposit position in the Urban Cooperative banks as on 31.07.2021 is **Rs.7,373.56 crore**. These banks have issued loans to the tune of **Rs.6,179.31** crore to **7,81,547** members during the year **2020-21**. Of which, Urban Cooperative Banks have issued loans to the tune of Rs. **38.37** crore to **15,780** petty traders in the urban areas. This has prevented many small vendors from falling prey

to money lenders, who charge exorbitant interest rates.

During the year 2021-22 upto 31.07.2021, these banks have issued loans to the tune of Rs. 1,156.80 crore to 1,48,702 members. Out of this, loan amount of Rs.5.92 crore has been issued to 2,396 Petty Traders in Urban areas.

### **4.3. Urban Cooperative Credit Societies**

In Tamil Nadu, **116** Urban Cooperative Credit Societies are functioning to provide credit facilities to the people residing in urban and semi-urban areas. These societies mobilize deposits from the public and extend loans to small traders, artisans and persons belonging to middle income group for housing, business and other non farm sector activities.

The deposit position in the Urban Cooperative Credit Societies as on 31.07.2021 is

Rs.**1,506.48** crore. These banks have issued loans to the tune of **Rs.1,640.72** crore to **2,51,538** members during the year **2020-21**. Out of this loans to the tune of Rs. **6.45** crore have been given to Petty Traders in the urban areas.

During the year 2021-22 upto 31.07.2021, these societies have issued loans to the tune of **Rs.225.62** crore to **30,913** members.

## **5. Employees Cooperative Thrift and Credit Societies**

In Tamil Nadu **1,716** Employees Cooperative Thrift and Credit Societies are functioning for the benefit of the employees of the State and Central Government, Government undertakings and Private organizations. Their main objectives are to cultivate the habit of savings among the employees and to provide loans at a reasonable rate of interest. These

societies are functioning with a share capital of **Rs.3,741.59** crore and working capital of **Rs.18,551.32** crore as on 31.07.2021. During the year 2020-21, these societies have disbursed loans to the tune of **Rs.6,216.95** crore to **2,21,498** members.

During the year 2021-22 upto 31.07.2021, these societies have disbursed loans to the tune of **Rs.1,944.89** crore to **46,161** members.

## **CHAPTER – II**

### **CO-OPERATIVE MARKETING SOCIETIES**

#### **1. Introduction**

Agricultural Producers Cooperative Marketing Societies are functioning in two-tier structure with Tamil Nadu Cooperative Marketing Federation at the State level. 112 Agricultural Producers Cooperative Marketing Societies are functioning at Taluk / Block Level. Besides, Tamil Nadu Cooperative Marketing Federation is functioning as the Apex Institution for the Agricultural Producers Cooperative Marketing Societies in the State except in the districts of Thanjavur, Tiruvarur, Mayiladuthurai and Nagapattinam as Thanjavur Cooperative Marketing Federation functions as Regional Federation for the Agricultural Producers

Cooperative Marketing Societies for these districts.

The Cooperative marketing societies in the State are functioning with the main objective of facilitating the marketing of agricultural produce of its members at a remunerative price, distribution of farm inputs to them, provision of produce pledge loan for agricultural produce and undertaking processing and value addition of agricultural produce.

## **2. Tamil Nadu Cooperative Marketing Federation (TANFED)**

Tamil Nadu Cooperative Marketing Federation established in 1959, is functioning with 18 Regional Offices in the districts. The federation is engaged in distribution of fertilizers and other inputs through Agricultural Producers Cooperative Marketing Societies and Primary Agricultural Cooperative Credit Societies. Tamil Nadu



Cooperative Marketing Federation established its own Fertilizer Mixing Unit in "Pamani" near Mannargudi, Tiruvarur District in the year 1970 for the production of granulated NPK fertilizer mixtures with an average production capacity of 150 Tons per day. The fertilizer produced in this unit is marketed in the name of "Pamani". TANFED also owns fertilizer mixture units at Madurai, Vellore, Trichy and Dindigul. The federation owns 45 godowns with a total capacity of 36,140 MTs and 2 cold storage godowns in Chennai with a capacity of 3,460 MTs.

Tamil Nadu Cooperative Marketing Federation acts as an agent of National Agricultural Cooperative Marketing Federation (NAFED) for undertaking Price Support Scheme in Tamil Nadu. This Federation operates 8 Petrol and Diesel sales outlets in association with Indian Oil Corporation.

During 2021-22, steps will be taken not only to increase the share of Cooperatives in the sale of fertilizers in the State but also to increase sale of seeds and bio-fertilizers considerably. During the year 2020-21, the total business turnover of Federation was Rs.809.23 crore. Federation has planned to achieve business turnover of Rs.1,579.62 crore during 2021-22. As on 31.07.2021 the business turnover of Federation is to the tune of Rs. 216.90 crore.

### **3. Thanjavur Cooperative Marketing Federation (TCMF)**

Thanjavur Cooperative Marketing Federation, started in 1941, is functioning as Regional Federation for the 12 Agricultural Producers Cooperative Marketing Societies in Thanjavur, Tiruvarur, Mayiladuthurai and Nagapattinam Districts. The Federation, in addition to distributing fertilizers and agricultural implements to farmers, also issue jewel loan to its members. This Federation owns 11 Godowns

with a total capacity of 6,600 MTs. The total business turnover of the Federation during 2020-21 is Rs.93.23 crore. It has planned to achieve business turnover of Rs.134.20 crore during 2021-22. For the year 2021-22 (upto 31.07.2021) the business turnover of Federation is to the tune of Rs.7.17 crore.

#### **4. Nilgiris Cooperative Marketing Society (NCMS)**

Nilgiris Cooperative Marketing Society started in 1935, is functioning with Nilgiris District and area under the Mettupalayam Municipality of Coimbatore District as its area of operation. The society functions with the primary objective of marketing the Agricultural Produce of the farmers, mostly tribal at competitive price along with distribution of Agricultural Inputs.

Nilgiris Cooperative Marketing Society is having a Potato Auction Yard and a Fertilizer Mixture Manufacturing unit at Mettupalayam. It

produces chemical fertilizers which are suitable for the crops grown in the Nilgiris. The total business turnover of the society during 2020-21 is Rs.98.62 crore. For the year 2021-22 (upto 31.07.2021) the business turnover of the society is to the tune of Rs.17.13 crore.

## **5. Agricultural Producers Cooperative Marketing Societies(APCMS)**

There are 112 Agricultural Producers Cooperative Marketing Societies functioning in the State with the primary objective of marketing the Agricultural Produce and selling of Fertilizers and other Agricultural Inputs. These Societies provide infrastructure facilities like Auction Yards, Drying Yards and Godowns to their farmer members to sell their Agricultural Produce at remunerative price. Most of the Marketing Societies act as lead Societies for moving the essential commodities from the Tamil Nadu Civil Supplies Corporation Godowns to the Fair Price Shops

under the Public Distribution System. They also run Fair Price Shops under Public Distribution System. During 2020-21 the turnover of Agricultural Cooperative Producers marketing societies was Rs.2129.59 crore. For the year 2021-22 (upto 31.07.2021) the turnover of Agricultural Cooperative Producers marketing societies is to the tune of Rs. 641.12 crore.

## **5.1 Activities of Agricultural Producers Cooperative Marketing Societies (APCMS)**

### **(i) Sale of Agricultural Produce**

Agricultural Producers Cooperative Marketing Societies provide facilities such as Auction Yards, drying facilities, warehousing and Produce Pledge Loan for traders and farmers and thereby facilitate the farmer members to sell their produce at a remunerative price in a transparent manner. Further, these societies engaged in purchase, process and sale of agricultural produce

and thereby adding value to the produce of their members. During 2020-21, Cooperative Marketing Societies have marketed Rs.773.31 crore worth of agricultural produce. For the year 2021-22, Rs.1,356.25 crore has been fixed as target for sale of agricultural produce in Agricultural Producers Cooperative Marketing Societies. For the year 2021-22 (upto 31.07.2021) have marketed Rs. 248.03 crore worth of agricultural produce.

## **(ii) Linking of Credit with Marketing**

The Cooperative Marketing Societies enroll the borrowers of Primary Agricultural Cooperative Credit Societies as members and assist in the sales of the produce brought to the Cooperative marketing society by the borrower – members of the Primary Agricultural Cooperative Credit Societies. These efforts help the Primary Agricultural Cooperative Credit Societies to recover the dues besides assisting the farmers in

selling their produce at a remunerative price. During 2020-21 Co-operative Marketing Societies have recovered loan amount to the tune of Rs.4.03 crores. For the year 2021-22 (upto 31.07.2021) Marketing societies have recovered loan amount to the tune of Rs. 0.85 crore.

### **(iii) Linking of Marketing with Consumer Cooperatives**

Cooperative Marketing Societies have tie-up arrangement with the Cooperative Wholesale Stores. This enables the Cooperative marketing societies to procure the farmers produce, process it and sell it to the Cooperative Wholesale Stores, so that the Wholesale stores get and supply quality products at reasonable price to the consumers and the farmers get a good price. For the year 2020-21, Cooperative Marketing Societies along with the Consumer Cooperatives have marketed Rs.90.08 crore worth of value added agricultural produce. For the year

2021-22, Rs.126.70 crore has been fixed as target for selling value added agricultural produce through Cooperative Wholesale Stores. For the year 2021-22 (upto 31.07.2021) Marketing societies have marketed Rs.23.57 crore worth of value added agricultural produce.

#### **(iv) Issue of Produce Pledge Loan**

To prevent distress sales of agricultural produce during the harvest season by the farmers and to meet their urgent financial needs and store their produce and sell them at remunerative price during favourable market conditions, the Agricultural Producers Cooperative Marketing Societies issue produce pledge loan to the farmers. During 2020-21, Marketing Societies have issued produce pledge loan to the tune of Rs.98.84 crore. During 2021-22, Agricultural Producers Cooperative Marketing Societies have proposed to issue produce pledge loan of Rs.254.44 crore. For the year



2021-22 (upto 31.07.2021) Marketing Societies have issued produce pledge loan to the tune of Rs.25.90 crore.

**(v) Sale of quality seeds**

To ensure quality seeds for farmers, Agricultural Producers Cooperative Marketing Societies procure seeds of Paddy, Pulses, Oil Seeds, Minor Millets and Vegetables and sell them to the farmers. During 2020-21, Cooperative Societies have sold quality seeds to the tune of Rs.5.02 crore. During 2021-22, Cooperative Societies have proposed to sell quality seeds to the tune of Rs.32.71 crore. For the year 2021-22 (upto 31.07.2021), Cooperative Societies have sold quality seeds to the tune of Rs.1.28 crore.

**(vi) Distribution of Fertilizers**

To increase the agricultural production, Cooperative Societies are undertaking cash sales of fertilizers to the farmers besides distributing fertilizers as a component of crop loan, Tamil

Nadu Cooperative Marketing Federation, Thanjavur Cooperative Marketing Federation and Nilgiris Cooperative Marketing Society are functioning as fertilizer whole salers for the cooperatives. During 2020-21, 4,86,830 MTs of fertilizers worth Rs.709.20 crore were distributed through Cooperative Societies. During 2021-22, it has been proposed to distribute 8,80,000 MTs of fertilizers through Cooperative Societies. For the year 2021-22 (upto 31.07.2021) 1,32,821 MTs of fertilizers worth Rs.232.75 crore were distributed through Cooperative Societies.

### **(vii) Processing and Value addition to Agricultural Produce**

Some of the Agricultural Producers Cooperative Marketing Societies are having processing units like ginning units, pulses drying units, chilly grinding units, oil crushing units, rice mills, etc. These processing units add value to the

farm produce and enable the producers get better price for their produce. Rice, Pulses, Turmeric Powder, varieties of Masala and Oil items are indigenously manufactured and marketed by some Cooperative Marketing Societies.

Thiruchengode Agricultural Producers Cooperative Marketing Society market its products in the brand name of "Arthanareeshwara", Erode Agricultural Producers Cooperative Marketing Society in the brand name of "Mangalam", Salem Agricultural Producers Cooperative Marketing Society in the brand name of "Amirtham" and Perunthurai Agricultural Producers Cooperative Marketing Society in the brand name of "Pasumai". Some of these products are sold all over the country. During the year 2020-21, the business turnover of these products is to the tune of Rs.17.09 crore. For the year 2021-22 (upto 31.07.2021) the business

turnover of these products is to the tune of Rs.2.91 crore.

### **(VIII) Extending Godown facility in rural areas**

To avoid distress sale and storage loss of farm produce by the farmers during peak harvest season, 3879 Godowns with a capacity of 5,10,600 MT in Primary Agricultural Cooperative Credit Societies and Agricultural Producers Cooperative Marketing Societies are put into use. Further, it has been proposed to construct 165 godowns and construction work is nearing completion.

During the year 2020-21, 7575 farmers got benefited by availing produce pledge loan of Rs.239.39 crore by pledging their agricultural produce. Further, 6512 farmers utilized godowns on rent for storage of their agricultural produce worth Rs.216.31 crore. Besides Tamil Nadu Civil

Supplies Corporation is also utilizing the Godown space for storing paddy procured. For the year 2021-22 (upto 31.07.2021) 2215 farmers got benefited by availing produce pledge loan of Rs.55.51crore by pledging their agricultural produce. Further, 2241 farmers utilized godowns on rent for storage of their agricultural produce worth Rs.45.84 crore.

Action will be taken to motivate the farmers to utilize the godowns to its fullest extent to get Produce Pledge Loan and to keep their agricultural commodities for rent.

### **(ix) Running Direct Purchase Centres**

Cooperative Societies have been running a few Direct Purchase Centers for Paddy in non-delta districts. Starting KMS 2021, it has been proposed that in the larger interest of the farmers, Cooperative Societies will run most of the DPCs in the non-delta districts. It would not only ensure assured sale of Farmers' paddy at the

Minimum Support Price (MSP), but also help the Cooperative Societies develop close relationship with the local farmers.

## **CHAPTER – III**

### **CONSUMER COOPERATIVES**

**1.** The prime objective of the Consumer Cooperatives is to supply quality goods at reasonable rates with service motive to the members and public. Consumer Cooperatives play a major role in controlling the price of essential commodities through market intervention by eliminating the role of intermediaries and stabilizing the price.

In Tamil Nadu, Consumer Cooperatives are functioning with a three-tier structure viz., Tamil Nadu Consumers' Cooperative Federation at the Apex level, **39** Consumer Cooperative Wholesale Stores at the District level and **369** Primary Cooperative Stores at the Primary level.

## **2. Activities**

### **2.1 Tamil Nadu Consumers' Cooperative Federation (TNCCF)**

The Tamil Nadu Consumers' Cooperative Federation (TNCCF) is an apex level organization for Consumer Cooperatives. The main objective of the Federation is to co-ordinate and facilitate the working of the affiliated societies in purchase and supply of Fast Moving Consumer Goods (FMCG). The Federation also procures paper and other stationery materials in bulk and distributes them to Cooperative Wholesale Stores, Primary Cooperative Stores and Cooperative Printing Presses. The Federation also coordinates the purchase of crackers for Cooperative Institutions. Tamil Nadu Consumers' Cooperative Federation also run two Petrol and Diesel Retail Outlets. During the year **2020-21** upto **31.03.2021** the Federation has achieved a total business turnover of **Rs.4437.43 lakh**. During the year **2021-22**



upto **31.07.2021** the Federation has achieved a total business turnover of **Rs.479.86 lakh**.

## **2.2 District Consumer Co-operative Wholesale Stores**

Consumer Cooperative Wholesale Stores are functioning at the district level. In Tamil Nadu at present, **39** Consumer Cooperative Wholesale Stores are functioning with the objective of supplying quality products at reasonable rate to the consumers and public.

The District Consumer Cooperative Wholesale Stores operate **17** Super Markets, **48** Mini Super Markets, **61** Retail Stores, **55** Self Service Units, **114** Cooperative Medical Shops, **37** Farm Fresh Consumer Outlets, **27** Petrol and Diesel Retail Outlets, **31** LPG supply units and **82** Kerosene Bunks throughout Tamil Nadu.

District Consumer Cooperative Wholesale Stores also play a vital role in the successful implementation of Public Distribution System by

acting as lead society and supply the essential commodities to the Fair Price Shops.

### **2.3 Primary Cooperative Stores**

Primary cooperative stores are functioning at the tertiary level with the main objective of supplying essential consumer goods to the public at a reasonable price. They also run Fair Price Shops, Retail Outlets, Petrol and Diesel Outlets, Flour Mill, Masala Grinding Unit and Sikakkai Grinding Unit.

In Tamil Nadu, **369** Primary Cooperative Stores are functioning. The Primary Cooperative Stores run **52** Cooperative Medical Shops, **18** Farm Fresh Consumer Outlets and **3** Petrol and Diesel Retail Outlets.

### **3. Performance of Consumer Cooperatives**

Consumer Cooperative Wholesale Stores procure consumer goods in bulk directly from

the producing centers, manufacturers and marketing societies and also procure through Joint Purchase Committees in bulk and sell the same to the consumers at reasonable price.

During the year **2020-21**, upto the Cooperatives put together have sold Controlled and Non-controlled commodities to the tune of **Rs.2768.53 crore**. During the current year Cooperatives have sold commodities to the tune of Rs.1014.77 crore as on 31.07.2021.

During the year **2020-21**, upto **31.03.2021**, the District Consumer Cooperative Wholesale Stores have sold controlled commodities to the tune of **Rs.611.88 crore** and Non- Controlled commodities to the tune of **Rs.1014.40 crore**. During the current year **2021-22** (upto**31.07.2021**), the District Consumer Cooperative Wholesale Stores have sold Controlled commodities to the tune of **Rs.269.70 crore** and Non-Controlled commodities to the tune of **Rs.303.39 crore**.

During the year **2020-21**, upto **31.03.2021** Primary Cooperative Stores have sold Controlled commodities worth **Rs.109.97 crore** and Non-controlled commodities worth **Rs.277.96 crore**. During the current year **2021-22** (upto **31.07.2021**) Primary Cooperative Stores have sold Controlled commodities worth **Rs.52.08 crore** and Non-controlled commodities worth **Rs.80.09 crore**.

#### **4. Cooperative Medicals**

At present, in Tamil Nadu, **304** Cooperative Medical stores are functioning effectively with the main objective of supplying quality medicines at affordable price to the public. By selling medicines upto **20** percentage discount, Cooperative institutions help the poor and downtrodden people get medicine at reasonable prices.

Upto **31.03.2021**, medicines to the value of **Rs.1124.53 crore** have been sold through the

**300** medical shops run by Cooperative Institutions.

During the year 2021 - 22 (upto 31.07.2021) medicines to the value of Rs.52.78 crore have been sold through 304 medical shops run by Cooperative institutions.

## **CHAPTER – IV**

### **SPECIAL PURPOSE CO-OPERATIVE INSTITUTIONS**

#### **Introduction**

In order to raise the standard of living of the farmers, tribals and those living below the poverty line, special types of Co-operative Societies were formed. These Co-operative Societies provide special services to such specific group of people.

#### **(i) Large Sized Multipurpose Cooperative Societies (LAMPS)**

At present in Tamil Nadu, 24 Large Sized Multipurpose Cooperative Societies are functioning mainly to uplift the standard of living of tribals. These societies undertake activities such as issue of crop loans, consumer loans, distribution of agricultural inputs, sale of

agricultural produce, collection and sale of minor forest produce and distribution of essential commodities under Public Distribution System.

Under Tribal Sub Plan scheme, the Government provides financial assistance to the Large Sized Multipurpose Cooperative Societies. These societies issue short-term crop loans for cultivation and medium-term loans for agriculture allied activities, to the tribal members. During 2020-21 total business turnover of LAMPS was Rs.221.09 crore. During 2021-22, Large Sized Multipurpose Cooperative Societies have proposed to achieve business turnover of Rs.266.89 crore. For the year 2021-22 (upto 31.07.2021) total business turnover of LAMPS was Rs.15.04 crore.

## **(ii) Labour Contract Co-operative Societies**

With a view to securing employment opportunities to members through contract work and ensuring better livelihood, **53** Labour

Contract Co-operative Societies are functioning in Tamil Nadu with a total membership of **18,723**.

**(iii) Tudiyalur Cooperative Agricultural Services Ltd. (TUCAS)**

Tudiyalur Cooperative Agricultural Services Ltd. is functioning as a special type of Primary Agricultural Cooperative Society at Tudiyalur in Coimbatore District since 1955. This society manufactures and undertakes marketing of agricultural inputs, pesticides, neem cake, micro nutrients, seeds and agricultural implements. It also manufactures and market fertilizer mixtures in the brand name "Ashoka" throughout Tamil Nadu.

TUCAS issues crop loan, mortgage loan, jewel loan, personal loan, entrepreneur loan, petty traders loan for women and AdiDravida welfare loan to its members.



During 2020-21, seeds worth Rs.78.54 lakhs, pesticides worth Rs.181.60 lakhs and agricultural implements worth Rs.25.23 lakhs were sold. During 2021-22, target has been fixed for sale of seeds worth Rs.350.00 lakhs, pesticides worth Rs.200.00 lakhs and agricultural implements worth Rs.110.00 lakhs. For the year 2021-22 (upto 31.07.2021), seeds worth Rs.46.19 lakhs, pesticides worth Rs.143.01 lakhs and agricultural implements worth Rs.2.61 lakhs were sold to the farmers.

#### **(iv) Cooperative Printing Press**

In Tamil Nadu, 26 Cooperative Printing Presses are functioning with 11797 members and a paid up share capital of Rs. 2.70 crore. These presses cater to the printing needs of the cooperatives. They also take printing orders from Government and Quasi Government Organizations and private parties and execute them. In the year

2020-21, the business turnover of Cooperative Printing Presses is Rs. 57.12 crore. For the year 2021-22 (upto 31.07.2021) the business turnover of Cooperative Printing Presses is to the tune of Rs.14.95 crore.

New initiatives will be taken to achieve self-sufficiency in the printing presses. Action will be taken to carry over all types of printing works through Cooperative Printing Presses.

As most cooperatives are being computerized, action will be taken to upgrade the facility for producing computer stationery and printed forms in these presses. For the 2021-22, Rs.91.69 crore has been fixed as the turnover target.

# **CHAPTER – V**

## **COOPERATIVES IN PUBLIC DISTRIBUTION SYSTEM**

### **1. Introduction**

**1.1.** The role of Public Distribution System is paramount in ensuring food security to all. The Cooperatives play a vital role in the effective implementation of Universal Public Distribution System as well as the Special PDS in Tamil Nadu. The Cooperatives have built a wide distribution network in the State and run majority of the Fair Price Shops i.e. **33,068** Fair Price Shops comprising **23,503** Full Time Shops and **9,565** Part Time Shops. This is **95.09%** of **34,773** total Fair Price Shops in the state as on 31.07.2021 as detailed below:

Sl. No.	Type of Cooperative Society	No. of fair price shops (31.07.2021)
1.	District Consumer Cooperative Wholesale Stores	3,377
2.	Cooperative Marketing Society	2,538
3.	Primary Cooperative Stores	1,919
4.	Primary Agricultural Cooperative Credit Society	24,413
5.	Urban Cooperative Credit Society	498
6.	Large Area Multi-Purpose Cooperative Society	239
7.	Others	84
	<b>Total</b>	<b>33,068</b>

Government of Tamil Nadu has been paying special attention to the efficient functioning of all the PDS shops. In this regard, the Government has been releasing subsidy to compensate the loss incurred by the fair price shops.

**1.2.** Movement of essential commodities i.e., Rice, Sugar and Wheat from the godowns of Tamil Nadu Civil Supplies Corporation to the Fair Price Shops is done by **97** lead societies which include **27** Consumer Cooperative Wholesale Stores, **58** Cooperative Marketing Societies, **10** Primary Cooperative Stores and **2** Primary

Agricultural Cooperative Credit Societies. These lead societies lift Public Distribution System commodities to the Fair Price Shops run by **4,162** link societies. Apart from these, **330** Cooperative Societies are acting as self lifting societies, which include **9** Co-operative Wholesale Stores, **31** Cooperative Marketing Societies, **150** Primary Cooperative Stores, **119** Primary Agricultural Cooperative Credit Societies, **7** Large Area Multi-Purpose Cooperative Societies, **9** Urban Cooperative Credit Societies and **5** other type of societies.

## **2.Cooperative Fair Price Shops**

There are **33,068** Fair price Shops functioning statewide, for the distribution of PDS commodities such as Rice, Sugar and Wheat to card holders. Besides **249** kerosene bunks are run by the Cooperative Societies exclusively for distribution of kerosene to family card holders.

**The Fair Price Shops sell Special PDS commodities like Tur dal and Palmolein at subsidized rates offered by Government of Tamilnadu.**

Non-controlled commodities such as Ooty Tea, Amma Salt are also sold at reasonable rate at these outlets.

### **3. Mobile Fair Price Shops**

**Mobile Fair Price Shops are functioning in many tribal and remote areas as decided by the District Collector. In the Nilgiris district 31 Mobile Fair Price Shops are functioning and serving a large number of far flung tribal habitations. Besides a number of mobile fair price Shops are also functioning in urban and rural areas to serve habitations which are at some distance from the PDS shops.**

#### **4. Monitoring of the functioning of Fair Price Shops**

For effective implementation of Public Distribution System, the End to End Computerisation of Public Distribution System has been operationalised to facilitate monitoring of activities on real time basis. Point of Sale (POS) device has been provided at each PDS outlet to capture every transaction in supply chain from stock entry in godowns to distribution to cardholders and the transactions are monitored through web-based portal on real time basis. Now, more than 96% of transactions are happening through biometric mode only.

#### **5. Sale of Empty Gunnies through e-auction in MSTC Ltd**

The Empty Gunnies collected in all the fair price shops functioning under the cooperatives were initially sold through the "District empty gunny bags Sales Committee". But most of the

empty gunnies remained unsold. Presently, the empty gunnies collected from all the fair price shops functioning under the cooperatives are pooled at the head quarters of concerned societies in each region. The details of the empty Jute gunnies are uploaded to the MSTC (Metal Scrap Trade Corporation Ltd.,) portal and the empty gunnies are sold through e-auction platform of MSTC in a transparent manner from September 2017. Till 31.07.2021 a total of **26,01,05,132** empty gunnies have been sold through the e-auction platform of MSTC.

## **6. Sale of Other Commodities**

### **(i) Sale of Ooty Tea**

To mitigate the hardships faced by the small tea growers, Ooty tea is being purchased from the INDCOSERVE (The Tamilnadu Small Tea Growers' Industrial Cooperative Tea Factories' Federation Ltd.,) and sold through Fair Price Shops run by



the Cooperative Societies, **616 MT** of Ooty Tea has been sold during 2021-22 (upto 31.07.2021), through Fair Price Shops run by the Cooperative Societies. **55,079 MT** of Ooty Tea has been sold from 2001-02 till 2020-21 (upto 31.07.2021) through Fair Price Shops.

## **(ii) Sale of Salt**

Iodised salt, procured from Tamil Nadu Salt Corporation, is being sold through the Fair Price Shops run by the Cooperative Societies to protect the people from Iodine deficiency disorders. **5,168 MT** of Salt was sold during 2021-22 through Fair Price Shops run by the Cooperative Societies. **4,80,866 MT** of Salt has been sold from 2000-01 to 2021-2022 (31.07.2021) through Fair Price Shops.

## **7. Government Subsidy to the Cooperatives for Public Distribution System**

Fair Price Shops are run by the Cooperative Societies with a service motive. Public Distribution System commodities are supplied to the card holders either at no cost or at the rate fixed by the Government. In addition to the margin money being provided by Tamil Nadu Civil Supplies Corporation, to meet out the operational expenses, subsidy is being provided by the Government to compensate the loss incurred by the Cooperative Societies. A sum of **Rs.400.00** crore has been sanctioned towards Subsidy during the year 2020-21.

# **CHAPTER – VI**

## **CO-OPERATIVE EDUCATION, RESEARCH AND TRAINING**

### **1.Introduction**

Providing education and training in Cooperative related issues is very important for the success of the entire Cooperative movement. This is being performed by Tamil Nadu Co-operative Union at the State level and 35 District Co-operative Unions at the district level by carrying out the tasks of Cooperative Education, Training, Publicity and Propaganda. Besides, they conduct Member Education programmes, organize Exhibitions and Seminars, Speech Competition, Essay Writing Competition for the Students of Schools and Colleges and organize Cooperative Week Celebrations to enlighten about Cooperative Movement to the public.

## **2. Institutes of Co-operative Management**

There are 20 Institutes of Co-operative Management in the State, which function as units of the Tamil Nadu Co-operative Union. These Institutes not only conducts 36 weeks Diploma Course in regular mode for students but also offer correspondence course of Diploma in Co-operative Management for the employees of Co-operative Institutions. These Institutes also conduct short duration Courses for the benefit of Cooperative Department Officials and Employees of Cooperative Societies. During 2020-21, in these 20 Institutes, **3,736** candidates were enrolled in Diploma in Co-operative Management Course on regular basis and **1,764** employees were enrolled in the correspondence course of Diploma in Co-operative Management. To develop catering craftsmanship, a certificate course namely "Craftsman Food Production (General)" course is offered by seven Institutes of Co-operative Management.

### **3. Technical Education**

To create employment opportunities for the youth, Tamil Nadu Co-operative Union runs two Co-operative Industrial Training Institutes, one each at Bargur in Dharmapuri District and Pattukottai in Thanjavur District. The Co-operative Industrial Training Institutes offer courses in Computer Operation Programming Assistant (COPA), Tailoring, Jewel Appraisal course, Electrician and Craftsman Food Production (General) courses. During 2020-21, in the above two Industrial Training Institutes, **111** candidates were enrolled.

Tamil Nadu Co-operative Union runs one Co-operative Polytechnic College at Lalgudi in Trichy District. It offers three courses, namely Diploma in Mechanical Engineering, Diploma in Computer Engineering and Diploma in Electrical and Electronics Engineering. During 2020-21, **200** students are enrolled in the above diploma courses.

#### **4. Higher Diploma Course and Short duration courses in Co-operative Management**

The Tamil Nadu Co-operative Union gives financial support to two Institutes of Co-operative Management (ICM), one at Chennai and the other at Madurai which are run by the National Council for Co-operative Training, New Delhi. In these Institutions, Higher Diploma Course in Co-operative Management and Master of Business Administration (MBA) courses are conducted. In these Institutes, short duration courses for the Departmental and Co-operative institutions staff are also conducted.

During the year 2020-21, 25 short duration programmes were conducted by the Natesan Institute of Co-operative Management, Chennai and **843** employees have undergone the training. 37 short duration programmes were conducted by the Institute of Co-operative Management,

Madurai and 1,410 employees have undergone the training

## **5. Co-operative Research in Universities**

The Tamil Nadu Co-operative Union has created a corpus fund of **Rs. 5.00 lakh** each in Madras University, Madurai Kamarajar University, Bharathiar University, Annamalai University, Periyar University and Gandhigram Rural University in order to encourage students to take up research in Co-operation. The interest earned on the deposit is utilized to give grant to the students doing research on Co-operation and related topics. So far, **25** research projects have been funded to the tune of **Rs.21.25 lakh**.

## **6. Utilisation of Co-operative Research and Development Fund**

Co-operative Societies contribute 3 percent of their net profit towards Co-operative Research and Development Fund (CRDF) maintained by

the Tamil Nadu Co-operative Union. This Fund is provided for Co-operative Research in the form of grants and interest free loan to the Co-operative institutions for the development. All the funds from CRDF are released with the approval of the CRDF committee.

## **7. Utilisation of Co-operative Education Fund**

Co-operative Societies contribute 2 percent of their net profit towards Co-operative Education Fund (CEF) maintained by the Tamil Nadu Co-operative Union. This fund is released based on the approval of the CEF Committee and utilized for Co-operative Education and Training, propaganda and publicity about Co-operatives.

This Fund is being utilized for conduct of short term training programmes for Co-operative Society employees and departmental staff, organizing Member Education Programmes,



organizing youth camps and for All India Co-operative Week Celebrations.

## **CHAPTER – VII**

### **INTEGRATED CO-OPERATIVE DEVELOPMENT PROJECT**

1. The Integrated Cooperative Development Project (ICDP) is area based and specially designed for the Integrated Development of Cooperative Societies across various sectors within a district. This project is implemented with the financial assistance of the State Government and the National Cooperative Development Corporation (NCDC).
2. National Cooperative Development Corporation, in consultation with the State Government, identified districts for implementation of the project for a period of 5 years.
3. In Tamil Nadu, the Integrated Cooperative Development Project (ICDP) was introduced in the year 1989 and projects in 28 districts

with a total outlay of **Rs.467.90 crore** have already been completed.

4. The main objective of the scheme is to develop the infrastructural facilities required for the effective functioning of Cooperative societies in the project district in a focused manner.
5. The State Government, funds the project with refinance arrangements from National Cooperative Development Corporation (NCDC) and the District Central Cooperative Bank (DCCB) is the Project Implementing Agency (PIA) in the districts concerned. The funding of the project is covered by National Cooperative Development Corporation (NCDC) to Government of Tamil Nadu as Loan and from Government of Tamil Nadu to Cooperative societies in a combination of Loan and Share capital.15% Subsidy from the National Cooperative Development Corporation (NCDC) is also available for the

weaker section for Sub-projects dealing with Agriculture, Marketing, Processing and creation of Infrastructures like Godown, Office Building etc.

6. At present, the Integrated Cooperative Development Project is being implemented in the four districts, namely Namakkal, Thiruvallur, Kanyakumari and Chennai with the total outlay of Rs.293.57 crore (upto 31.07.2021).
7. This scheme was implemented in 32 Districts in the first phase. Now with the Government Order being received to implement the 2<sup>nd</sup> phase in 9 districts viz Virudhunagar, Ramanathapuram, Thiruppur, Krishnagiri, Dharmapuri, Kanchipuram, Thiruvannamalai, Cuddalore and Villupuram, the Detail Project Reports (DPR) for the above 9 districts have been prepared and submitted to National Cooperative

Development Corporation through  
Government for approval.

## **CHAPTER – VIII**

### **COOPERATIVE ELECTION**

The Government of Tamil Nadu inserted a new Section 33 A in the Tamil Nadu Cooperative Societies Act 1983 by Tamil Nadu Cooperative Societies (Fourth Amendment) Act 2012.

It provides for Constitution of the Tamil Nadu State Cooperative Societies Election Commission for the conduct of election to the Cooperative Societies in Tamil Nadu. Tamil Nadu State Cooperative Societies Election Commissioner was appointed and has been functioning since 08.02.2013.

The Constitution (97<sup>th</sup> amendment) Act, 2011, provides that in the elected board there shall be one member from the Scheduled Castes and two Women members. To ensure empowerment of Women and to ensure social

justice, the Tamil Nadu Cooperative Societies Act has been amended in the year 2013 to provide 18% reservation to Scheduled Castes and Scheduled Tribes and 30% reservation to Women in the Board of Directors of the Cooperative Institutions.

In Tamil Nadu, during 2013, Elections were conducted for 22,552 Cooperative Societies and 2,04,889 Board Members were elected.

On the expiry of tenure of 5 year period, the Tamil Nadu State Cooperative Societies Election Commission announced election programme in 2018 for the conduct of election in 4 phases to **18,805** Cooperative societies under the control of the Registrar of Cooperative Societies and 14 Functional Registrars. Elections were completed to 18,249 societies and the elected Board Members have assumed office.

Election programme to Tamil Nadu Cooperative Union falling under Phase V is yet to be announced by the Tamil Nadu State Cooperative Societies Election Commission.



## **CHAPTER – IX**

### **PRICE STABILIZATION FUND**

As a welfare measure, the Government of Tamil Nadu has created **Price Stabilization Fund with a corpus of Rs.100 crore**, so as to carry out market intervention activities through Cooperative Institutions. Whenever the price of essential commodities like Rice, Pulses, Tamarind, Oil, Chilly, Onion and Potato increases abnormally in the markets, Price Stabilization Fund is utilized to procure and to sell the same through Cooperative outlets so as to enable the consumers get the commodities at lesser price and to control the price hike in the market.

Whenever required price of the essential commodities has been controlled by undertaking market intervention activities by utilizing the Price Stabilization Fund.

## **CONCLUSION**

Under the dynamic leadership of our Hon'ble Chief Minister and with the active support of the people of Tamil Nadu, this department will continue to strive its best to improve the delivery of services to the common people.

The department is determined to further strengthen the Co-operative movement in the state and render various services to different sections of society through Co-operative institutions at various levels.

**I.Periasamy**

**Minister for Co-operation.**



On the request of the Hon'ble Chief Minister of Tamil Nadu, the Government employees of all departments, officers and employees of Private & Public Ltd., Organisations are contributing their 1 day salary towards the contribution to Chief Minister's Public Relief Fund for relief and rehabilitation measures to the victims of Covid-19 Pandemic. As such, 44,552 employees working under the Cooperation Department ranging from apex cooperative institutions at state level to cooperative societies at primary level contributed their 1 day salary totally to the tune of Rs. 4,27,38,000/- to the Hon'ble Chief Minister's Public Relief Fund. Hon'ble Minister for Cooperation Thiru. I. Periyasamy handedover a cheque for Rs. 4,27,38,000/- (4.27 crores) to the Hon'ble Chief Minister of Tamil Nadu Thiru. M.K.Stalin on 19.6.2021 at the Secretariat in Chennai.



Hon'ble Chief Minister of Tamil Nadu Thiru.M.K.Stalin has launched the distribution of the second instalment of Covid relief of Rs.2,000 and also commenced the supply of a free grocery kit of 14 items to the rice family cardholders on 03.06.2021 at the Secretariat in Chennai.



Hon'ble Chief Minister of Tamil Nadu Thiru M.K. Stalin paid a surprise visit to six fair price shops in Alwarpet, Nandanam and Lloyds Colony on 16.06.2021 in Chennai and reviewed the distribution of corona relief of Rs. 2000/- in second phase and 14 essential grocery products package to family cardholders.



Thiru.I.Periyasamy, Hon'ble Minister for Cooperation chaired a review meeting of Cooperative Department Officials on 29.07.2021 in the conference hall of District Collectorate in Salem district.





Hon'ble Minister for Cooperation Thiru. I. Periyasamy inaugurated the Petrol/Diesel bunk on behalf of Cooperative Department in the premises of Thoothukudi Agricultural Producers Cooperative Marketing Society, constructed at a cost of Rs.70.00 lakhs in association with Indian Oil Corporation on 11.07.2021 near new bus stand in Thoothukudi district and distributed various loans to tune of Rs. 4.86 crore to 847 beneficiaries.



Hon'ble Minister for Cooperation Thiru.I.Periyasamy visited the N.G.G.O Cooperative Stores on 29.7.2021 at Dr. Subburayan Salai in Salem District and reviewed its activities.





Hon'ble Minister for Cooperation Thiru.I.Periyasamy visited the N.G.G.O Cooperative Stores on 29.7.2021 at Dr. Subburayan Salai in Salem District and reviewed its activities.



Arasampatti, Part-time Fair Price Shop of K.K.353, Arasampatti Primary Agricultural Cooperative Credit Society,



Mobile Farm Fresh Consumer Outlet of Perambalur District Consumer Wholesale Cooperative Store



