

## **Success Story of RKVY under Cooperation Department**

**Introduction:** The Co-operation Department of the Government of West Bengal has a long history of working in the field of agricultural and rural development through Cooperative Societies – the organisation of the farmers. Since inception, it has implemented RKVY projects in the Cooperative sector successfully. Mechanisation of Agriculture is an immediate necessity in rural areas. Hence following projects are proposed under RKVY in the year 2019 – 20.

**Category :** Agricultural Production .

The PACS in a village performs multifarious roles to serve the farmer community. They provide agricultural credit, agricultural inputs like fertiliser, insecticides and procure produces of the farmers under minimum support price mechanism. The function of the village level cooperatives thus depends upon establishment of infrastructure from where they can serve the rural people. Construction of 100 MT godown space helps the activities of the cooperative society. 140 such godowns may be constructed in equal number of good working PACS

### **Challenge:**

- The farming community depends heavily on the borrowed money for the agricultural operations. They are often forced to sell their produce immediately after the harvest although price is very low. Thus, the farmers lose heavily on their investments. This vicious cycle is recurring year after year making the farmers poorer. Today, the country is not having a reasonable infrastructure for providing relief to these farmers. The facility for storage of agricultural produce is inadequate in rural areas. The farmers, therefore have to dispose of their produce at an un-remunerative price, immediately after the harvest.

### **Aims and Objectives:**

- In order to strengthen the farmers' efforts through creation of pre and post harvest agricultural infrastructures, it is important to create adequate storage space both for pre harvest and post harvest commodities. Pre harvest components like agricultural inputs (fertilizers, seeds, pesticides, insecticides etc) require enough storage space for enhancing the production of agricultural commodities. Agricultural produces require storage space not only for farmers' individual production but also for produces procured under Minimum Support Price Scheme of the Government.
- Adequate storage facility will encourage farmers for increased production which will ultimately increase their income.
- The creation of storage facilities, through construction of grain godowns in villages will help to remedy the above situation. The farmers can store their produces in godowns by paying rents, and release the produce to market when the price is reasonable. Meanwhile, the farmers can borrow from a financial institution, in case of need, by pledge of godown receipt. This will help modernization of rural economy, development of banking habit of the farmers and teach the bankers the lesson of development through credit. This facility

will not only enable the farmers to break the vicious cycle by generating money from their own produce to pay back a part of the loan and meet some of their day-to-day urgent needs; but also reduce the subsidy burden on the government on procurement of excess produce.

### **Initiative:**

- There are approximately 5400 Primary Agricultural Cooperative Credit Societies (PACS) in the Co-operative Sector in the state. Out of the total PACS, near about 3000 PACS constructed their office with godown space with the financial assistance provided under various schemes. Since inception of RKVY, Cooperation Department also provided fund to the PACS for construction of their office-cum-godown. But at the same time there is a gap of office-cum-godown to be constructed in the rural area.
- A reasonable spread of agricultural storage go-downs linked to financial organizations to provide pledge loan will go a long way in meeting the needs of the farmers as it will not only provide the basic infrastructure for making arrangements for the pledge loan but also preserve the quality and quantity of their produce over a longer period to enable them to sell it when rates are higher for the quality produce to ensure a decent return on their labour and investments. Scientifically designed storage structures reduce the losses and its existence provides confidence to the farmers for raising crops with quality/ costly inputs which the Primary Agricultural Co-operative Credit Societies are supposed to supply to their farmer-members. Adequate godown space is required for storing fertiliser, seeds, plant protection chemicals, fish feed, cattle feed and other agricultural inputs along with the agricultural produces procured on outright purchase or pledge terms from the farmer-members of the PACS. This will enthuse the farmers to grow more agricultural produces and increase productivity. For running the office and mobilising local resources in the shape of deposits on the one hand and catering to the consumer needs of the members on the other hand two separate rooms need be attached to each of these go- downs in the NCDC III / NCDC Special Normal /ICDP model.

### **Impact:**

- PACS will directly manage the storage godowns for storage of Agricultural Produces (food grains) from their farmer members as well as other farmers from their areas. Farmers may pledge their produces at the time of lean market rate for future sale when price goes up. This may be done both independently and through MSP operations of the Government for different crops time to time. The storage capacity may also be rented out to Government Departments or Institutions if situation demands so.
- Pledging of crops by the farmers will help them sell their produce at appropriate time at reasonable rate, preventing any type of distress sale. The PACS will benefit both from providing service to the farmers and also financially from the rent received from them.
- Construction of the office-cum-godowns will be implemented by the District level committee headed by the Range DRCS / ARCS observing the financial norms of the State Government. Project implementing agency can be selected from available sources, i.e, Panchayat, PWD, Construction Board,

BENFED & others. Block level officers and District level officers of Cooperation Directorate will visit periodically and monitor the progress of the project.

**Lesson learned:**

- The creation of storage facilities, through construction of godowns in villages will help to solve the insufficiency in respect of space for storing agricultural inputs as well as produces. The farmers can store their produce in godowns by paying rents, and release the produce to market when the price is reasonable. Keeping in mind the growth in production, proportionate increase in the consumption of agricultural inputs, storage for inputs is also required to be enhanced. Meanwhile, the farmers can borrow from a financial institution, in case of need, by pledge of godown receipt. This will help modernization of rural economy, development of banking habit of the farmers and teach the bankers the lesson of development through credit. This facility will not only enable the farmers to break the vicious cycle by generating money from their own produce to pay back a part of the loan and meet some of their day-to-day urgent needs; but also reduce the subsidy burden on the government on procurement of excess produce.



**Godown cum Office, Amodpur SKUS Ltd. SKUS Ltd., Hoogly**



**100 MT Godown cum office, RKVY-2016-17, F/A Rs.17.50 lakh) at Alipur SKUS Ltd., Hooghly**



**(Construction of 100 MT Godown cum office, RKVY-2015-16, F/A Rs.17.50 lakh)RanjitbatiKetedal SKUS Ltd., Hoogly**



paddy godown of 1000MT capacity Dawaguri Jhinaidanga SKUS Ltd Paddy Godown, Coochbihar



250 KVA DG Set



Atmospheric Condenser



Mohammadpur SKUS Ltd. Cold Storage front



Alipur SKUS, Hoogly