

Annual Administrative Report

1 BACKGROUND

The contribution of the Cooperatives in the development of the State in various fields is quite significant. Many people in the State have got employment in various Cooperative Institutions. Cooperative Societies are playing a significant role in advancing agricultural loans. Cooperative Societies have entered into activities of extending advancement of credit in Non-Farm sector and credit to traders/businessmen, marketing of agricultural produce, supply of milk and milk products, production of sugar, construction of houses as well as labour and construction work etc. An important role is being played to provide fertilizers and other inputs for agricultural operations, as well. Non-farm sector loans have helped individuals in engaging themselves in gainful employment.

It is a movement based on the principle of equality and offer ample scope for the development of one and all. In short, the cooperatives offer an advantage to the people for improving their lives over other sectors of economy. The Cooperative Movement in the State of Punjab has contributed immensely to the development of the lives of large number of people of the State by one way or the other. Overall analysis/overview of the cooperative movement indicates that the total share capital has increased from 1492.35 crores to 1527.01 crores, working capital has increased from 69609.55 crores to 69833.18 crores. The business turnover has also increased from 468444.78 crores to 554355.71 crores & owned funds have also increased from 6626.46 crores to 6740.99 crores as compared to corresponding figures of the last year i.e. 2015-16

2 ORGANIZATIONAL SETUP OF THE DEPARTMENT.



3. COMPARITIVE CHARTS (PHYSICAL & FINANCIAL PROGRESS OF DEPARTMENT) STATEMENT SHOWING PHYSICAL PROGRESS OF PREVIOUS TWO YEARS COMPARED WITH YEAR BEING REPORTED

Financial year 2014-15

Sr. No.	Schemes	Budget Allotted during FY 2014-15	Budget Utilization during 2014-15
1	Plan	3164900000/-	2664873000/-
2	Non Plan	630045000/-	596847000/-

Financial year 2015-16

Sr. No.	Schemes	Budget Allotted during FY 2015-16	Budget Utilization during 2015-16
1	Plan	4000000000/-	3305600000/-
2	Non Plan	617551000/-	592848000/-

Financial year 2016-17

Sr. No.	Schemes	Budget Allotted during FY 2016-17	Budget Utilization during 2016-17
1	Plan	3080000000/-	2293145000/-
2	Non Plan	557481000/-	529991000/-

Apex Cooperative Institutions.

List of Apex Cooperative Institutions is as under which are headed by their Managing Directors.

- PSCB.
- SADB.
- Markfed.
- Milkfed.
- Sugarfed.
- Housefed.
- Puncofed.
- Labourfed.
- PICT.

4. VISION, MISSION & GOAL.

a) Vision:

Promotion of member owned autonomous and democratically managed Cooperative Societies.

b) Mission:

To provide conducive environment for encouraging people for voluntary formation of Cooperative Societies.

c) Goals/Objectives:

Objectives of the Department include providing Short Term and Long Term credit to the farmers through Punjab State Cooperative Bank and Punjab State Cooperative Agricultural Development Bank respectively and also timely supply of fertilizers and agro-chemicals to the members of Cooperative Societies. To raise the economic status of the members by way of various parameters. To ensure empowerment of women members and also by providing health care to the members of Cooperative Societies and their families. Objectives of the Department also include improving internal efficiency, transparency and service delivery.

d) POLICY

1) Purpose

- To provide Short Term loan to members of cooperative societies through Punjab State Cooperative Bank.
- To provide Long Term loan to members of cooperative societies through Punjab State Agricultural Cooperative Development Bank.
- To ensure timely supply of Fertilizers and Agrochemicals to the members.

- Women Empowerment
- To take care of the health of members and their family members.

2) Content

- To ensure good financial discipline in state Cooperative Societies and apex institutions .
- To ensure transparency and accountability in day to day work.

3) Output

- IWDMS system implemented in the Department.
- Court cases monitoring through IWDMS ensured.
- New Agro Service Centres established in PACS and Existing Agro Service Centres upgraded.
- Ensured adequate supply of fertilizers to the members of the PACS timely Fertilizer Policy drafted and timely indenting and supply of fertilizers ensured through Markfed and IFFCO.
- Raised the economic status of Members through allied activities under various parameters of Milkfed.
- Women Empowerment ensured through Mai Bhago Istri Sashaktikaran Scheme of the Department.
- Bhai Ghaniya Sehat Sewa Scheme helped to provide health cover to the members of Cooperative Societies and their families.

e) Programmes & Projects:

(Rs. in thousands.)

Sr. No	Name of the Scheme	Annual Plan 2016-17	
		Approved Outlay	Expenditure
1	2	3	4
CN-14	Construction/Remodeling of Godowns of PACS/ PMACS under RIDF-XXI	22012	22012
CN-09	Loans to Sugar Co-operatives for payment to cane Growers	1780000	1780000

f) Annual/Monthly Targets of each Program/ Project (Down to District/Block/Village level):

Advancement and Recovery regarding the Short Term and Long Term Credit by Punjab State Cooperative Bank and Punjab State Cooperative Agricultural Development Bank respectively and also supply of fertilizers against indent by Markfed and IFFCO and other targets are reviewed

with the field officers every month in the Monthly State Level review meetings by the senior officers of the Department.

5. KEY PERFORMANCE INDICATORS/IMPLEMENTATION

a) Review of activities in the department during the past financial year:

• MULTI PURPOSE COOPERATIVE AGRICULTURAL SERVICE SOCIETIES

Multi Purpose Cooperative Agricultural Service Societies deliver credit to their individual members. These cooperative societies continue to play a vital role in meeting the credit requirements of the farmers and also in increasing the agricultural production. By the end of the year under report there were 3937 Multi Purpose Cooperative Agricultural Services Societies in the State, out of which 3576 Societies were actually functioning. These Cooperative Societies are not only responsible for giving credit to the members but also responsible for delivering consumer goods at the doorstep of the members. These cooperative societies made progress during the year in major aspects i.e. share capital, working capital, deposits, loan advanced, business turnover, value of consumer goods supplied etc. The detail is given as below:

(Rs.in lacs)

Sr. No.	Particulars	2015-16	2016-17
1	Membership (Actual)	2518832	2539498
2	Share Capital	4528939	4579556
3	Owned funds	12714862	12833249
4	Working Capital	1031697.82	108986309
5	Deposits	241242.42	22023.41
6	Loans advanced	1424466.70	1265645.19
7	Business turnover	8470392.96	8599692.67

Out of the total advancement of Rs. 1265645.19 lacs, an amount of Rs. 26253.29 lacs was advanced to the weaker sections and Rs.17420.89 lacs to the members belonging to Scheduled Castes. During the year under report Rs.968334.63 lacs was recovered out of the total demand of Rs.1292604.22 lacs resulting in a recovery percentage of 75%. The loan outstanding at the end of the year against members of these cooperative societies was Rs.172858.21 lacs. These cooperative societies have supplied agricultural inputs to their members to the tune of Rs.104714.11 lacs.

• PUNJAB STATE COOPERATIVE BANK LIMITED CHANDIGARH

The Punjab State Cooperative Bank {PSCB} at the apex level was registered on 31-8-1949 at Shimla. Its head-quarter was shifted to Jalandhar in 1951 and then to Chandigarh in 1963. This Bank has been playing a pivotal role by delivering, directing and supervising the cooperative credit not only to the farm sector but also to the

non-farm sector. This Bank has 20 affiliated Central Cooperative Banks in the State. The membership of the Punjab State Cooperative Bank was 23 as on 31-3-2017 consisting of Central Cooperative Banks, Apex Cooperative Institutions and other cooperative societies. The important statistics of the Bank are given below:-

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership (In units)	54	23
2	Share Capital	15940.04	15940.06
3	Owned Funds	58143.82	59850.48
4	Working Capital	940623.03	915813.93
5	Deposits	256017.17	264329.63
6	Loan advanced	1034500.79	1020153.48
7	Profits	+1253.15	3145.57
8	Business turnover	3556900.10	3014807.62

The Punjab State Cooperative Bank Ltd. Is a premier financing institution and is serving as a link between National Bank for Agriculture & Rural Development (NABARD) and the Central Cooperative Banks for availing of agricultural production credit at concessional rate of interest. The Bank takes care of the training needs of the employees of its affiliated Central Cooperative Banks and cooperative agricultural service societies through its training institute with all the facilities of modern education and training namely Agriculture Cooperative Staff Training Institute located at Jalandhar.

CENTRAL COOPERATIVE BANKS:

The second tier is of Cooperative Banks in Punjab which comprises of 20 Central Cooperative Banks which are having their 802 branches all over the State which are catering to the banking and credit needs of the people of the State. The Comparative Figures are given below:-

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership {Actual}	545821	546814
2	Share Capital	38103.05	37985.29
3	Owned funds	192860.68	197164.91
4	Deposits	1238314.64	1344647.74
5	Working capital	2072243.74	2159219.81
6	Loan advanced	1878952.17	1504631.31
7	Amount of profit	+2266.73	1517.36
8	No. of 'A' Class Banks	17	17

All the Central Cooperative Banks in the State have floated a scheme for the advancement of loan to the unemployed youth particularly in the rural areas of the State under the Non-Farm sector schemes. These Banks directly advance loans to the individuals under this scheme for any specified activity. This has given a boost in providing employment in the rural areas. Special efforts have been made to bring in new products for loaning by these Cooperative Banks.

• **PUNJAB STATE COOPERATIVE AGRICULTURAL DEVELOPMENT BANK LIMITED CHANDIGARH.**

Punjab State Cooperative Agricultural Development Bank Ltd. {PSCADB} was established in the year 1958 with the objective of providing long term credit to the farmers for agricultural and allied activities. Bank is providing long term credit to the farmers in the State through its 89 Primary Agricultural Development Banks (PADBs). The Bank has done commendable work in providing Loans for minor irrigation projects and purchase of Tractors, concentrated on diversifying its loan portfolio by supplying necessary inputs for White and Green Revolutions. It has also financed Non farm sector activities such as Atta Chakki, Saw Mills, Restaurants, Vans, Cattle, Poultry and many more. The bank has introduced number of new schemes like Rural housing, Loan for Higher Education, Loans for financing Educational Institutions, Rainwater Harvesting tanks, Poultry/Dairy Schemes, Commercial Production, Units of organic inputs, Development/strengthening of Agricultural Marketing Infrastructure. For empowerment of women, the bank has set up a Women Development Cell in the bank. The Bank has also launched a campaign for organizing farmers club.

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership (Units)	89	89
2	Share capital	7586.65	7665.94
3	Owned funds	46245.99	44971.23
4	Working capital	363169.25	346758.59
5	Loan advanced	55979.94	49022.07
6	Business turnover	337263.21	305067.57
7	Profit/Loss	+2542.31	1081.09

PRIMARY CO-OPERATIVE AGRICULTURAL DEVELOPMENT BANKS.

At the close of the year 2016-2017, there were 89 Primary Cooperative Agricultural Development Banks in the State. These banks provide long term credit to the agriculturists both for agricultural and non-agricultural purposes. The comparative figures are given below:-

(Rs. in Lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership (Unit)	920074	935690
2	Share capital	16952.44	16813.82
3	Owned funds	72910.15	83461.76
4	Working capital	413954.36	431899.30
5	Loan advanced	63438.34	69836.38

- **MARKETING COOPERATIVES**

THE PUNJAB STATE COOPERATIVE SUPPLY & MARKETING FEDERATION LTD. CHANDIGARH (MARKFED).

The Punjab State Cooperative Supply and Marketing Federation Limited is known by its abbreviated name (MARKFED). Markfed was registered on 2.9.1954 with a membership of 53. As on 31.3.2017 the membership of the Federation was 3099. It has enlarged its area of operation as its products are marketed in India and other countries of the world. It is Asia's biggest cooperative venture which helps the farmers in the marketing of their produce through Primary Cooperative Marketing Societies. It has 17 Distt. Level Offices with its Head Office at Chandigarh. It serves the farmers through its affiliated PACS and Cooperative Marketing Societies and also its branches and Agro Service centres by supplying quality fertilizers, pesticides and insecticides to the farmers. It also works as a Government procurement agency and ensures minimum support price for the farmers' produce especially for Wheat, Paddy, Cotton and Sunflower. It is the single largest supplier of fertilizers to the farmers in the cooperative sector in the State. The scheme to supply fertilizer through it has been modified from time to time so as to meet the requirements of the agriculturists to the fullest extent through Primary Cooperative Agricultural Service Societies.

i) **PROCUREMENT:** Procurement is one of the main activities of Markfed. Markfed procures wheat, paddy on behalf of Govt. of India/ FCI as part of Minimum Support Price (MSP) policy.

a) **WHEAT:** The procurement of wheat during the period under review is as under:-

(Figures Qty.: LAC MT)

Wheat Activity	2015-16	2016-17
Procurement	20.98	21.52

b) **PADDY & RICE:** The details of paddy procured by Markfed during the period under review is as under:-

Year	Procurement	Delivery of Rice to FCI (%)
		(Financial Year)
2015-16	31.40 lac MT	99.18 (Upto March 2016)
2016-17	36.50 lac MT	64.79(Upto March 2017)

ii) **AGRI-INPUTS:** Markfed undertakes distribution of fertilizers, Agro-chemicals and seeds etc. through cooperative societies in the state of Punjab.

- a) **Fertilizers:** -Markfed has been appointed as a nodal agency for procurement & distribution of DAP fertilizers through cooperative societies for the last few years. The state always relies on Markfed for the rescue of Punjab Farmer. The Sale of Fertiliser for the period under review is as under:- (Figures Qty.: LAC MT)

FERTILISER -distribution	2015-16	2016-17
UREA	8.59	7.98
DAP	2.53	2.60
Others	0.01	.37
Total of all Fertilizers	11.13	10.95

- b) **AGRO CHEMICALS:** - The Sale of Agro-chemicals for the period under review is as under:-

Agro-chemicals	2015-16	2016-17
Sale (Rs. Crores)	67.22	39.06

iii) **Manufacturing of edible products & non-edible products:**

Markfed has 4 Agro based processing units for manufacturing **SOHNA** brand Vanaspati, Refined Oils, Processed & Canned foods and Markfed Cattle feed.

iv) **EDIBLE PRODUCTS:**

- a) **Markfed Vanaspati and Allied Industries (MVAI), KHANNA:** MVAI, Khanna produces range of Vanaspati & Edible refined oils including Cotton Seed, Sunflower, Mustard, Groundnut and Soyabean Oils. The unit also manufactures Kachi Ghani & Paki Ghani Mustard Oils. For better logistics/marketing, the plant also outsources Vanaspati, Atta & Salt. The details of Production/sale of Vanaspati and oils for the period under review are as under:

Khanna Plant	2015-16	2016-17
Vanaspati & Oil -Production (in KL)	23001	28268
Vanaspati & Oil -Sale (in KL)	23321	28751
Atta (MT)	789	695
Salt (MT)	329	245

- b) **MARKFED CANNERIES, JALANDHAR:-** The Cannery is producing Ready To Eat canned food products like Sarson ka Saag, Daal, Mutter Paneer, Honey, Chatpata Chana, Karhi- Pakora, Palak Paneer, Black Chana, Rajmah, AluMethi, AluPalak etc. Besides this, the bottled food products i.e. Tomato Ketchup, Tomato Puree, Mixed Fruit Jam, Synthetic Vinegar, Honey & Fruit Drinks are also produced. This is mainly an export-oriented unit and about 80% of ethnic Punjabi/ North Indian food is exported to countries like America, Europe, Middle East, Australia etc. The unit also supplies

these items to Indian Army through Army Purchase Organization (APO).. The production of spinach (Palak) puree has been initiated in Markfed Canneries, Jalandhar during the period under review.

V) Projects established:

Kapurthala Cattle Feed Plant: During the year 2016-17 the plant has earned a profit of Rs. 4.65 Crore The sale during the year 2016-17 was Rs. 7112.08 lacs.

Gidderbaha Cattle Feed Plant: During the year 2016-17 the plant has earned a profit of Rs. 2.52 Crore The sale during the year 2016-17 was Rs. 4595.73 lacs.

Mohali Plant: During the year 2016-17 the plant has earned a profit of Rs. 3.70 Crore. The sale during the year 2016-17 was Rs. 3912.43 lacs.

vi) The achievements of this federation during the year under report are given below:-

(Rs.in lacs)

Sr No.	Particulars	2015-2016	2016-2017
1	Total Share Capital	2651.37	2006.07
2	Owned funds	28744.27	28074.25
3	Working Capital	1225408.63	1032107.21
4	Value of Agri. Produce Procured	91790.05	1060676.54
5	Business turnover	2647593.96	3150804.61

• PRIMARY CO-OPERATIVE MARKETING SOCIETIES

At the end of 2016-2017, there were 84 Primary Cooperative Marketing Societies in the State, out of which 76 Societies were functioning, 6 were under winding-up. The progress made by these cooperative marketing societies is as under:

(Rs. In lacs)

Sr. No.	Particulars	2015-16	2016-2017
1	No. of Coop. Marketing Societies.	83	84
2	Membership Actual	56311	56998
3	Share Capital	119.49	284.99
4	Owned Funds	4455.29	4771.91
5	Working Capital	7857.62	9749.38
6	Value of procured Agri. produce	192468.64	196342.18

During the year under report out of the above 84 cooperative marketing societies, 67 earned a profit to the tune of Rs.646.71 lacs, 11 suffered a loss amounting to Rs. 44.60 lacs and 6 societies are in no profit no loss.

MILK COOPERATIVES

The Punjab State Cooperative Federation of Milk Producers Unions Ltd.(MILKFED) at the Apex level, District Cooperative Milk Producers'

Unions at the Central level and Primary Cooperative Milk Producers' Societies at the Primary level are serving the milk producers. Today the farmers are equipped with more information and technical know-how because of these cooperatives. The prime objective of Cooperative Milk Movement is to provide an assured market and remunerative price for every drop of surplus milk at the village level throughout the year and to work towards the enhancement in the income of cooperative societies and their member producers and thus contribute in raising the standard of living of farmers and other weaker sections of the society.

THE PUNJAB STATE CO-OPERATIVE FEDERATION OF MILK PRODUCERS UNIONS LTD. CHANDIGARH

The Punjab State Cooperative Federation of Milk Producers Unions Ltd.(MILKFED) was registered on 1.12.1973 with 3 members. It is an Apex Body of District Cooperative Milk Producers' Unions. This Federation has prepared a rehabilitation plan for each milk union to revitalize them. Milkfed is serving the nation-wide consumers through its net work of Regional Offices and strong distribution system. Milk unions are providing technical services to milk producer members. There are 202 Artificial Insemination Centers in the State. Approximately 26000 sick animals per month are being treated and also about 21000 animals are vaccinated for Foot & Mouth Disease every year under the Animal Health Care programme. The overall position of the Federation is as under:

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	3072.42	3072.42
2	Owned funds	9876.06	10856.42
3	Working capital	12945.46	24564.98
4	Profit	+420.37	962.85
5	Sale of Milk and Milk Products	19704.55	24564.98
6	Business turnover	33265.85	32246.95

DISTRCT COOPERATIVE MILK PRODUCERS UNIONS

There were 11 District Cooperative Milk Producers Unions {DCMPU} 10 of which had their own Milk Plants at the end of the year under report. The membership of these Unions stood at 7780. The milk unions provide technical services to producer members with 202 cluster artificial insemination centers. Milk Union, Ludhiana is providing Embryo Transfer facilities which have its own importance for the improvement of milch animals for the enhancement of milk production. The over all position of the DCMPUs is given below:

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	2019.86	2037.51
2	Owned funds	15681.49	25861.87
3	Working capital	53288.10	6099.49

4	Business turnover	444476.33	576005.69
5	Milk & Milk Products produced (Value)	163234.25	171946.00
6	Milk & Milk Products sold (Value)	223871.35	225456.08

PRIMARY CO-OPERATIVE MILK PRODUCER'S SOCIETIES

There were 6459 Primary Cooperative Milk Producers Societies with a membership of 479209 as on 31.3.2017. Milk is procured from village level cooperative societies through private vehicles providing regular employment to about 5658 persons. The progress made by these cooperative societies is evident from the following table:

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	254.47	287.31
2	Owned Funds	5762.97	6739.43
3	Working capital	10873.26	11531.02
4	Business turnover	225777.53	232066.98
5	Value of Milk purchased	66561.19	67673.18
6	Value of Milk sold	95493.54	76540.56

• SUGAR COOPERATIVES

Sugar Cooperatives were set up to ensure remunerative price of sugarcane to the sugarcane growers. To promote the Cooperative Sugar Mills, the Punjab State Cooperative Sugar Mills Federation Ltd. (SUGARFED) was set up on 26.10.1966 for providing advisory services. The membership of the Federation as on 31.3.2017 was 16 consisting of 15 Cooperative Sugar Mills and the State Government. The Federation also looks after the interest of the Cooperative Sugar Mills at the State level and the National level. It also provides various types of services to the cooperative sugar mills like technical, administrative, financial services etc. It also provides guidance with regard to taxation law, cooperative laws and other problems of the cooperative sugar mills.

Achievement of Cooperative Sugar Mills for the year 2016-17.

Cooperative Sugar Mills crushed 194.05 lac quintals cane during 2016-17 as compared to 197.09 lacs during 2015-16.

Sr. No	Year	Cane Crush (Lac/Qtls)	Sugar Recovery(%)	Sugar Produced (Lac/Qtls)	Area under cane (Hectares)
1	2016-17	194.05	9.49	18.42	58262

Area under sugar cane cultivation which was 54778 hectares during 2015-16 increased to 58262 hectares during 2016-17 .

The Coop. Sugar Mills pay the State Advised Price of Sugarcane to the cane growers of the State which is more than Fair Remunerative Price fixed by Central Government. State Govt. has fixed cane price of Rs.300/- per quintal for 2016-17 against Rs.230.00 per quintal fixed by Central Govt. as Fair & Remunerative Price. The State Government provides loan to Coop. Sugar Mills every year to clear

cane arrears. For this purpose, the State Government provided Rs.178.00 crores for 2016-17. No amount of cane arrear for crushing season 2016-17 is outstanding. Sugarfed has planned to increase the capacity of oldest Cooperative Sugar Mills at Bhogpur installed in 1956-57 from 1016 TCD to 3000 TCD alongwith Co-generation capacity of 15 MW. By enhancing the capacity of Bhogpur CSM, the mills will be able to crush more than 40 lakh quintal of cane available in the Bhogpur area having high sugar recovery which will help the mills to have financial stability and will reduce losses. The overall position of the Sugarfed is given below:-

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership	16	16
2	Share capital	664.03	664.03
3	Owned funds	1389.57	1389.57
4	Working capital	107671.05	116872.49
5	Business Turnover	216023.94	251656.86

CO-OPERATIVE SUGAR MILLS

There were 15 coop. sugar mills out of which 9 were functioning during the year under report. Out of these 9 mills two sugar mills at Budhewal and Nawanshahr are winning awards for the last nine consecutive years known as “ National Efficiency Award”. Cane-growers are provided shelter in “KissanGhar” built inside the complex of sugar mills when they come to the sugar mills with their sugarcane produce. The comparative figures of the Cooperative Sugar Mills are as under:-

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership	208129	209894
2	Share Capital	14423.75	15181.30
3	Owned funds	49047.11	49048.11
4	Working capital	117183.69	156559.93
5	Cane crushed (in Lac quintals)	197.09	194.05
6	Sugar Produced (in Lac quintals)	19.42	18.42

• LABOUR & CONSTRUCTION COOPERATIVES

Labour & Construction Cooperatives were organised to save the labourers from the exploitation of the contractors. Labour & Construction Cooperatives have three tier structure. There is Punjab State Cooperative Labour & Construction Federation at Apex level, District Cooperative Labour & Construction Unions at Central level and Primary Cooperative Labour & Construction Societies at primary level. The State and District level co-operative L/C societies help the Primary Cooperative Labour & Construction Societies in their day-to-day working by providing them technical know-how and assisting them to get work from work awarding agencies in respect of

skilled and unskilled work as well as sorting out various disputes/problems with the concerned departments.

THE PUNJAB STATE COOPERATIVE LABOUR & CONSTRUCTION FEDERATION LTD.

The Punjab State Cooperative Labour & Construction Federation Ltd. was registered on 17.7.1956 with 6 members. The membership of the Federation was 17 as on 31.3.2017. The overall position of the Federation is as under:

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	30.85	30.85
2	Owned funds	1638.11	134.61
3	Working capital	1029.11	671.59
4	Business Turnover	1372.35	1836.94
5	Commission earned during the year	160.84	241.99
6	Profit	+12.26	+22.18

LABOUR AND CONSTRUCTION UNIONS.

There were 17 District Cooperative Labour & Construction Unions as on 31.3.2017. The position of these unions is as under:

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership (Actual)	1575	1579
2	Share capital	18.24	18.24
3	Owned funds	1215.26	1447.96
4	Working capital	1649.66	1834.01
5	Business turnover	2909.75	2811.50
6	Commission earned during the year	220.94	302.00

Out of these 17 Labour & Constructions Unions, 17 were in profit to the tune of Rs.387.53lacs.

PRIMARY COOPERATIVE LABOUR AND CONSTRUCTION SOCIETIES

There were 2141 Primary Cooperative Labour & Construction Societies as on 31.3.2017 out of which 1962 were functioning, 109 were under winding-up and 70 were not functioning. The comparative position of these co-operative societies is given as under:

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership (Actual)	103795	110620
2	Share capital	303.67	3821.13
3	Owned funds	1969.31	2284.65
4	Working capital	4171.44	5047.02

- **HOUSE BUILDING COOPERATIVES**

House Building Cooperatives are helping construction of houses in the urban as well as in the rural areas in the State. The Punjab State Cooperative Housing Federation Ltd. (HOUSEFED) was registered on 17.11.1970 for providing finance to the affiliated cooperative house building cooperative societies to solve the housing problems of their members. It has its own building. The membership of this Federation was 346 as on 31.3.2017. The working position of the Federation is as under :

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership	343	346
2	Share capital	4124.54	4013.87
3	Owned funds	24332.41	17600.04
4	Working capital	43497.66	43987.89
5	Loans Advanced	521.00	257.00
6	Loans Recovered	4957.00	2396.64
7	Profit	+690.00	-24.48
8	Business turnover	246731.50	89580.51

There were 638 Primary Cooperative House Building Societies as on 31.3.2017. The working position of these cooperative societies is as under :-

Sr. No.	Particulars	2015-2016	2016-2017
1	Membership	166667	138664
2	Share capital	2673.31	1839.23
3	Owned funds	3119.24	2944.66
4	Working capital	43935.07	40684.11
5	Loans Advanced	1905.80	281.70

- **WOMEN COOPERATIVES**

Women Cooperative Societies are also playing a very significant role in the Cooperative fold to promote and develop economic and social position of women. A women cooperative society-namely Latala Women Coop. Milk Supply Society was declared as the best in Asia for collection of milk. The kind-wise break-up of these cooperative societies is given below:-

Sr. No.	Particulars	2015-2016	2016-2017
1	Thrift & Savings Cum Credit Coop. Societies	484	484
2	Credit Coop Societies	1	1
3	Industrial Coop. Societies	206	206
4	School Supply Coop. Societies	1	1
5	Milk Producers Coop. Societies	343	674
6	Total Coop. societies	1035	882

The overall position of Women Coop. Societies is as under:- (Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Total No. of Coop. Societies	1035	882
2	Membership	69435	52003
3	Share capital	226.62	220.33
4	Owned funds	255.72	293.83
5	Business turnover	1861.77	1642.83
6	Working capital	2203.79	2179.03

EDUCATION, TRAINING & PUBLICITY COOPERATIVES.

The Punjab State Cooperative Development Federation Ltd.(PUNCOFED) previously known as Punjab Cooperative Union Ltd., was registered on 30.4.1952 with its head-quarters at Jalandhar which was later on shifted to Chandigarh in April, 1965 with a membership of 33. The membership of this Institution at present is 29 which consists of Apex Cooperative Societies, District Cooperative Unions and the State Government. It is a coordinating Apex Co-operative Institution to promote and develop the Cooperative Movement in the State. The main object of this institution is to promote and develop the Cooperative Movement in the State by imparting Cooperative Education and Training to Members, Prospective Members, Managing Committee Members, Salesmen, Secretaries/Managers of Primary Cooperatives and to guide and assist the people in their effort to build up and expand the Cooperative Sector and to serve as an exponent of cooperative opinion.

EDUCATION & TRAINING:

Puncofed organize education & Training programmes. Education Programmes are run under the supervision of Cooperative Education officers.

Awareness Camps 2016-17	Camps	Members
CASS	131	3114
Milk	15	1503
Women	49	3350
Members	408	20741
School lecture	91	4849

Puncofed is also holding State Level Awareness Camps for elected representatives of Central Coop. Banks, Milk Plants, Agriculture Development Banks, Distt. Cooperative Unions and B.O.D. of Multipurpose Societies. During the year 2016-17, 55 State Level Functions were organised, which was attended by 6739 participants.

OFFSET PRINTING PRESS

Puncofed has installed its own Offset Printing Press to cater to the Printing needs of Cooperative Sector. The business for the year 2016-17 is Rs. 14596763.00

MAGAZINE "PUNJAB COOPERATION"

Puncofed publishes a fortnightly Magazine "Punjab Cooperation" which carries articles on important aspects of Cooperative Movement. Departmental Circulars, Success Stories of Cooperatives, Court Decisions, interviews of eminent Co-operators Balance Sheets etc. The Matter of the Magazine is now catering to the needs of all levels of Co-operators. Special pages have been earmarked for departmental news and activities, concern of community, news review, news clippings, social and literary activities and legal review. Efforts have been made to make all the pages of the magazine coloured. The Business made by the Magazine during the year 2016-17 is Rs/- 4587060.00.

NEW ACTIVITIES

Puncofed has made its own website. Puncofed has also provided SMS service for the members of CASS. The secretary and 5 members of the society are sent SMS about the arrival of fertilizer in their society and also about the quality and quantity of the fertilizers. Its achievements during the year 2016-2017 in comparison with the last year are as under:-

(Rs.in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share Capital	25.49	25.49
2	Working capital	719.16	862.11
3	Business turnover	94.29	85.96
4	Profit/Loss	+8.64	+156.02
5	No. of persons trained	23272	20741
6	No. of committee members trained.	9953	12778

The work relating to cooperative education and also about publicity and propaganda of cooperatives at the district level is taken up by the District cooperative unions. During the year, there were 17 District Cooperative Unions in the State. The members of these unions were 4657 as on 31.3.2017. The achievements of these unions are as under:-

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	18.93	9.06
2	Owned funds	210.03	175.74
3	Working Capital	382.28	355.82
4	Business Turnover	1930.92	1504.66

- **THE PUNJAB INSTITUTE OF COOPERATIVE TRAINING LTD. CHANDIGARH (PICT).**

The Punjab State Cooperative Bank Ltd., Chandigarh established the Punjab State Cooperative Bankers Training Institute in 1969 for providing training to its officers/employees and that of the Central Cooperative Banks in the State. Later on the Punjab State Cooperative Agricultural Development Bank and Markfed, Punjab became its members. This Institute was given the name of "The Punjab Institute of Cooperative Training". Time to time another

institutions became its members and this Institute was registered in 1999 under Punjab Cooperative Societies Act, 1961.

TRAINING PROGRAMME

Every year in the month of November, training needs of the Officers/Officials of Cooperative Apex Institutions are asked for the coming year. After receiving their training needs, the programmes are chalked out after discussing with the concerned officers of respective institutions and there after the course calendar is placed before the Governing Board of the Institution for consideration and approval. Detail of training programmes and trainees for the last three years is as under:-

Year	No. of Training Programme conducted.	No. of Trainees Trained
2014-15	129	2995
2015-16	142	3554
2016-17	134	3212

• TRANSPORT COOPERATIVES

At the end of the year 2016-2017, there were 148 Primary Cooperative Transport Societies having 9768 members. The position regarding the working of these Cooperative Societies is as under:-

(Rs. in lacs)

Sr. No.	Particulars	2015-2016	2016-2017
1	Share capital	138.71	134.23
2	Owned funds	357.92	660.64
3	Working capital	3023.40	4680.09

By the end of the year under report, total gross income earned by these Cooperative Societies was Rs.221.44 lacs and expenditure incurred amounted to Rs. 219.92 lacs. 507 persons were employees of these Cooperative Societies. The amount of profit earned by 50 Cooperative Societies stood at Rs. 38.99 lacs. However, 35 Cooperative Societies incurred a loss amounting to Rs. 12.19 lacs and the remaining 63 Cooperative Societies were in no profit no loss position.

• MISCELLANEOUS KIND OF COOPERATIVE SOCIETIES:

Besides the abovementioned Cooperative Societies, there were other miscellaneous kind of Cooperative Societies in the cooperative fold. Below mentioned figures reveal the position of these Cooperative Societies during the year under report:

Sr. NO	Kind of Coop. Societies	No. of Societies	Membership	Share Capital	Own Funds	Working Capital
1	Non-Agri. Credit Societies.	457	24419	45559	442.32	6779.44
2	Joint Farming	72	1541	11.54	27.96	85.99

	Societies.					
3	Poultry Societies	50	1331	22.10	40.30	74.82
4	Agri. Non-Credit Societies.	157	27935	442.62	509.95	4477.58
5	Cooperative Cold Stores.	12	1943	31.31	117.62	253.62
6	Industrial Union.	3	148	0.44	0.2	1.55
7	Irrigation Societies.	48	702	9.02	33.56	133.14
8	Fruit & Veg. Mktg. Societies..	140	3818	11.6	52.76	81.48
9	Supply & Distribution	3	120	0.83	26.39	75.10
10	Other processing Societies.	3	2978	14.71	28.57	103.06
11	Primary Sugarcane Soc.	6	43297	17.03	22.65	96.67
12	Garden Colony Societies.	7	355	2.52	594.51	613.29
13	Lead Societies	0	0	0	0	0
14	S.C.L.O	328	9064	1.74	17.61	18.99
	TOTAL	1286	117651	46124.46	1914.40	12794.73

b) Review of goals achieved during the past financial year

It is already mentioned in Column 5(a).

6. ACHIEVEMENTS/OUTCOMES

a) Notable achievements concerning the department

- Expenditure of Rs. 2.2012 Crores has been done for Construction/Remodeling of Godowns of PACS/PMACS, under Plan Scheme CN-14.

Punjab State Cooperative Bank

- The Punjab State Cooperative Bank and all Central Cooperative Banks had advanced Short Term Agricultural Loans to the tune of Rs. 10,736.73 crores during the year 2016-17 to farmers of the state.
- For meeting the socio-economic needs of the farmers the Punjab State Cooperative Bank and all Central Cooperative Banks have now been sanctioning the Revolving Cash Credit Limit upto Rs.15.00 lacs. For the year 2016-17 the bank has sanctioned the Cash Credit Limit to the tune of Rs. 4,204.74 Crores to 1.86 lakh farmers.
- Cooperative Banks were able to achieve the target of CRAR of 9% by 31.3.2017 with the timely help of Rs.130.00 crores by the Punjab Govt.
- The Punjab State Cooperative Bank and all Central Cooperative Banks have set a target to install 132 ATMs for 2016-17 and 111 ATMs have been installed till date. Till date 2,03,000 ATM Debit Cards have been issued by all Central Cooperative Banks and the process of issuing Kisan Credit Card (KCC) Debit Cards to farmers

has been initiated and 1,43,000 KCC Rupay Cards have been issued till date. Besides this, the banks have been providing the facility of E-commerce and Short Message Service (SMS) alerts to its customers.

- During the year 2016-17, the Punjab State Cooperative Bank has earned a profit of Rs. 31.45 crores.
- Cooperative Banks are in the process of installing 150 Micro ATMs in the Primary Agriculture Cooperative Societies (Under the pilot Project of NABARD).
- Keeping in view the needs of the market, new bank schemes have been initiated, for instance a new scheme named “flexi deposits” has been implemented.
- PSCB Ltd. has got permission from RBI and IRDA to work as a corporate agent to sell General/Health/Life insurance policies.
- The investment policy was diversified and steps were taken to venture into better investment avenues like Mutual Funds and trading in Govt. Securities.

Other Achievements:-

- 95% Supply of DAP in term of percentage of indent and 89% supply of UREA in term of percentage of indent to the members of Cooperative Societies was ensured during the year 2016-17.
- 2700 personnel of staff of Cooperative Societies/Institutions were trained by PICT.
- 1.92 lakh main members of Cooperative Societies were given benefit of Health insurance under Bhai Ghaniya Sehat Sewa Scheme of the Department.

Punjab State Cooperative Agricultural Development Bank

- During the year 2016-17 bank has disbursed loan amounting to Rs. 490.22 Crores.
- Bank charges simple interest on its loans.
- Earlier 75% loan was given on land rate decided by the District Collector, now 80% loan is being given on the same.
- 0.50% rebate is given to loanees who return their loan in time. For this purpose, bank has created good pay master rebate fund. With this rebate of 0.50%, for the loanees who pay their loan in time, the interest rate gets reduced to 11.30% from 11.80%.
- Female loanees are exempted from loan fees.
- Female loanees get 0.50% rebate in interest rate.
- The rate of share capital of beneficiaries has been reduced from 5% to 3%.
- For shared accounts cases, the condition of B class membership has been abolished.

- No billing is being done for farm sector loan upto 1 lakh and non farm sector business upto 2 lakhs.

Sugarfed

- During the year 2016-17, the detail of Cane crushing, Sugar Recovery and Sugar produced are 194.05 Lac/Qtls, 9.49% and 18.42 Lacs/Qtls under 58262 Hectares.
- State Govt. has fixed cane price of Rs. 300/- per quintal for 2016-17 against Rs. 230.00 per quintal fixed by Central Govt. as Fair Remunerative Price. The State Government provides loan to Cooperative Sugar Mills every year to clear cane arrears. For this purpose, the State Government provided Rs. 178.00 crores for 2015-16 and Rs. 24.50 crores for 2016-17. On receipt of assistance of Rs. 91.16 crores from State Govt., the balance payment of cane arrears will be cleared.

Milkfed

- Significant growth of 9.31% in sales turnover from Rs.2684 crores in 2015-16 to Rs.2934 crores in 2016-17 against CAGR of 10.15% has been achieved. This turnover has been attained despite of prevailing unfavourable market of SMP.
- By adopting various focused strategies, the Federation has been able to procure on an average 14.85 lac kgs. of milk per day during 2016-17 against procurement of 13.90 lac/Kgs. during 2015-16 which is 6.83% increase over the last year.
- Efforts have been initiated to implement Advanced ERP system throughout Federation for efficient working and monitoring purpose. The bills for milk procurement and salaries of staff at all the Verka Dairies are computerized.
- The capacity of Milkfed Cattle feed plants at Khanna and Ghania-Ke-Banger had been expanded from 300 MTs to 500 MTs during the year 2015-16 and 2016-17. During the year 2016-17 both the Cattle Feed Plants have marketed 78534 MT of cattle feed.
- Under the National Programme for Dairy Development (NPDD) Scheme of India, a project of Rs.14.64 crore has been approved for modernization and upgradation of Verka Amritsar Dairy and the work on this project is in progress. Projects of Rs.26.95 crores and Rs.24.89 crores have been approved for Verka Jalandhar and Bathinda Dairy respectively. The project of setting up of Ice-cream Plant at Bathinda Dairy has been completed and production has started. The work for set-up of Powder Plant of 25 MT per day capacity is in progress at Verka Jalandhar Dairy.

Quantitative, Physical, Financial, Economic, Social outcomes:-

- Detailed figures are mentioned in Sr no.5(a)

B) Qualitative outcomes

- To provide Short Term loan to members of Cooperative Societies through Punjab State Cooperative Bank.

- To provide Long Term loan to the members through Punjab State Agricultural Cooperative Development Bank.
- To ensure timely supply of fertilizers and agrochemicals to the members.

C) Policy

Existing policies related to this department are being implementing in this department.

D) Notable achievements concerning HR communication, media, information, education (activities, accomplishments, publications, conference presentations, and related information):

Puncofed

Awareness Camps organised by PUNCOFED in 2016-17

Type	Camps in No.	Participants
MPCASS Societies	131	3114
Milk Producing Societies	15	1503
Women Societies	49	3350
Members of Societies	186	12778
School lecture	91	4849

Puncofed is also holding State Level Awareness Camps for elected representatives of Central Coop. Banks, Milk Plants, Agriculture Development Banks, Distt. Cooperative Unions and B.O.D. of Multipurpose Societies. During the year 2016-17, 55 State Level Functions were organised, which was attended by 6739 participants.

PICT

In the year 2016-17, 134 Training Programmes/Camps organised and 3212 Participants have attended these Training Programmes/Camps.

c) Comparison of last 3 Years: (In Tabular Form)

(Rs.in Crores)

Sr.No	Particulars	2014-15	2015-16	2016-17
1	Total No. of Cooperative ocieties.	17902	17687	18980
2	Membership (figure in thousands.)	53.13	53.89	53.22
3	Total Share capital	1479.05	1492.35	1489.05
4	Govt. Share capital	179.46	178.45	178.45
5	Owned funds	6561.78	6626.46	6740.99
6	Working Capital	67304.4	68609.55	69833.18
7	Turnover	445030.77	468444.78	554355.71
8	Deposits	17235.66	18214.23	18462.74
9	Persons employed (No.)	32199	32098	31028
10	No of Trainees trained by PICT	2995	3554	3212

11	No of Committee members trained)	17002	9953	12778
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7. ORGANISATIONAL ISSUES:

Challenges

- While providing short term and long term loans to farmers, cooperative banks had to face the challenges of demonetisation and liquidity issues.
- The strike by PACS employees was also a huge challenge.

Changes

- The recruitment of Inspectors and Senior Assistants is under process.

Reforms

- Under computerisation of Department, IWDMS And Court case monitoring system are being utilized.

- **Outcomes**

More responsive system.

8 EVALUATION: SWOT ANALYSIS

a) Significant challenges to the department:

- Demonetization and Liquidity problem were the significant challenges to the Punjab State Cooperative Bank and Punjab State Cooperative Agricultural Development Bank respectively in the amount of Short Term credit and Long Term Credit advancement to the members and its recovery.
- Strike by the employees of the PACS (April 2016 to August 2016) was a challenge resulting in a shortfall in the Supply of Agro Chemicals.

b) Significant internal and external strengths and Opportunities of the department:

- Short-term credit is supplied to members through Punjab State Cooperative Bank (PSCB).
- Long-term Agricultural Credit through Punjab State Agricultural Development Bank (SADB).
- Department ensures supply of Fertilizers; DAP, Urea through Markfed and IFFCO by timely assessing the demand for timely supply through Cooperative Societies and finalizing the Policy well in time in this regard and also ensuring the timely supply of Agrochemicals.
- Department raises the economic status of members of through Milkfed by way of increasing their income through sale of Milk under various parameters of Milkfed.

Improvement of the Financial Position of PACS in a phased Manner:

- The function of the department in this regard includes. Setting up of new Agro-service Centres, strengthening of existing Agro Service Centres by way of replacement/ upgradation of machinery resulting in increase in the number of members' utilization of services of the Agro Service Centers.
- The training for the members and elected committee members of cooperative societies through PUNCOFED and also training for the staff through PICT.
- **Women Empowerment:**

The Department is providing for socio and economic development of women members of PACS by way of their membership in PACS, formation of women SHGs, their linkages with the Banks and also providing micro-finance to women and also helps in getting micro enterprises established for the women members under the “**Mai Bhago Istri Shakti Scheme**”.

- **To arrange Health Cover for the members of Cooperative Societies:**

The Department is furthering this purpose under the “**Bhai Ghaniya Sehat Seva Scheme**” and ensuring health insurance of the members of the Cooperative Societies and their families.

Other Strengths of the Department.

- Updating Rules.
- Coordinating co-operative activities with other institutions;
- Preparation of programmes and policies for the Co-operative Sector;
- Data collection and publication of reports on co-operatives and the Co-operative Movement;
- Assisting co-operative societies in modernising their activities and in attaining financial and functional autonomy

Annual Administrative Report

- c) **Provide a summary of the outcomes from surveys, benchmarks for action, and other assessments metrics from your programs and services. Include data pertinent to the operations of the**

department, e.g., fund raising trend data, benchmark or other comparative data, etc.:

It is mentioned in Column No 5(a)

d) Delineate how specific results have been used to improve processes and programs in your department.

By comparing various parameters of Performance of the Department in the previous years their specific results have been used to provide:-

- i) Better Loaning i.e advancement to the beneficiaries by PSCB and SADB.
- ii) In time policy finalisation regarding fertilizers, Timely indenting of fertilizers and ensuring timely and adequate supply of fertilizers to the members of the PACS.
- iii) Better health cover to the members of the PACS under the Bhai Ghaniya Scheme.
- iv) To meet the credit requirements of the farmers and also supplying Agricultural Inputs.
- v) To establish more Agro Service Centres and upgrading existing Agro Service Centers for the benefit of the farmers.
- vi) To help in raising the standard of living of farmers and other weaker sections of the Society through milk cooperatives and also to provide better animal health care through Milkfed.
- vii) To provide up-to-date training on various aspects to the members and employees of cooperative societies/Department.

9. RECOMMENDATIONS FOR NEW DEVELOPMENTS AND RESOURCES

The strategic planning goals for the next three years, including linkages to the Department's strategic goals, identified funding sources etc. :-

Strategic Identified	Goals	Budget/ Source of Funding	Targeted Timelines		
			2017-18	2018-19	2019-20
Amount of Short Term Credit supplied to the members.		Through PSCB	9000 Crores.	9000 Crores.	9000 Crores.
Amount of Long Term Credit supplied to the members.		Through SADB	300 Crores.	470 Crores.	530 Crores.
Share of Cooperatives in the Supply of		Through Markfed	50%	50%	50%

Fertilizers to the members of PACS.	and IFFCO			
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Description of future Goals/objectives

a) Short term(one year)

To make the staff members capable of using the latest procedures, manual of department and instructions of government.

b) Long term(Two to five year)

To improve the quality of inspection and computerisation of the work of the Department.

c) A summary of policy reforms & plans for the coming financial year to achieve goals.

To fill the vacant posts of department on priority basis and to do computerisation of PACS in a phased manner.

Performance & initiatives by the agencies of the department.

Training Institutes like Regional Institute of Cooperative Management, Chandigarh, Punjab Cooperative Training Institute, Chandigarh, Agricultural Cooperative Staff Training Institute Jalandhar, and Mahatma Gandhi State Institute of Public Administration, Chandigarh give training to the employees and officers of the department.

11. Appendices

Nil