

# Maharashtra Cooperative Development Corporation Ltd., Pune

## Atal Financial Assistance Scheme for Co-operative Societies

- **Introduction :-**

The Co-operative movement has played a major role in the economic progress of Maharashtra. In the last few years, it has been observed that the process of registration of new co-operative societies and the initiation of new projects of these societies has been very slow. In the backdrop of globalization, privatization and liberalization, it is necessary to implement some projects through cooperatives, considering their objectives and the need to meet the challenges of the times so that farmer members/economically weaker sections can have cost effective and direct transactions with consumers.

The process of empowering 5000 various Primary Agricultural Cooperative Societies under Atal Mahapran Vikas Abhiyan in the State has been going on since 2016. Apart from primary agricultural cooperative society (PACS), marketing, processing, service and other types of cooperatives also need to implement business oriented projects. As mentioned in "Vision 2030" and taking into account the objectives set in the Central Government's Strategy for New India @75 regarding the agricultural sector, it is necessary to start a new scheme for the cooperative societies in the State to generate direct and indirect employment by implementing the business/projects of the cooperative societies.

The Maharashtra Cooperative Development Corporation, working for the development of cooperatives in Maharashtra, has submitted a draft scheme to the government to promote the professionalism of such cooperatives. Based on that, the State government has launched the "**Atal Financial Assistant Scheme for Cooperatives**"(G.R dated 02.01.2019) to promote the agricultural and agri complementary industries of cooperatives that are helpful in rural development.

- **Purpose of the scheme:-**

1. To promote and implement various innovative businesses/projects related to agriculture and non-agriculture sector through cooperatives.
2. To create direct and indirect employment.
3. To add value to farmer's agricultural produce through primary and secondary processing.
4. To encourage cooperatives to increase farmers profit from agricultural production and to increase farmers income.
5. Encouraging cooperatives to start industries that have potential for agriculture and allied industries in the global market.
6. The educated youth of the State, especially in the rural areas connected with the agricultural sector through co-operatives to be utilised to create services, business and industries related to local needs.
7. To empower the economically weaker sections by encouraging them to start agricultural business through the initiatives of co-operatives, including primary processing, storage of agricultural produce, secondary processing, transportation of agricultural produce, supply of agricultural inputs, supply of clean water and other innovative post-harvest activities.

- **Details of Financial distribution :-**

At least 50 % of the amount to be distributed in each district will be disbursed for agricultural projects and the remaining amount will be disbursed for innovative non-agricultural projects.

- Maximum limit of project cost of Co-operative Societies - Rs. 20 lakhs
- Naxal affected - Gadchiroli, Chandrapur and Gondia for these three districts maximum project cost for seeking grants - Rs. 40 lakhs

Own fund	- 12.50%
Loan	- 12.50 %
Grant	- 75%
Loan Interest rate	- 8 %
Loan term	- 5 Years
Over all provision for scheme	- Rs. 490 Cr
Penalty Interest	- 2%

- **Proposals approval procedure :-**

- A. State Level Committee -**

**Chairman** - Hon. Minister of Cooperation

**Other members** - Hon. Cooperation Commissioner, Hon. Agriculture Commissioner, Hon. Director of marketing, Hon. managing Director, Maharashtra State Agriculture Marketing Board, Director ATMA, Chartered Accountant (CA), Non- official Member - 06 (from each revenue department) and Managing Director, MCDC, Pune (Member Secretary)

- B. District Level Committee -**

**Chairman** - District Deputy Registrar, Cooperative Society

**Other members** - Deputy Director Agriculture, Project Director ATMA, General Manager, District Industries centre, Chartered Accountant, Non- official Member - 04

- **Current Status :-**

No of proposals approved by State level committee	- 1871
Total project cost	- Rs. 381 Cr.
Own funds	- Rs. 81 Cr.
Loan amount	- Rs. 43 Cr.
Grant	- Rs. 257 Cr.
Loan and Grant	- Rs. 300 Cr.

- **Type wise summary of the project -**

1. Fruit and vegetable hygiene and sorting center	-95
2. Warehouse	-312
3. Secondary Processing Unit	-301
4. Transportation Van	-380
5. Cooperative Retail Shop	-165
6. Agricultural Goods Packaging	-90
7. Jute Bag	-146
8. Water ATM	-70
9. Agricultural allied project	-164
10. Non Agricultural innovative Project	-148
Total	-1871

- **Loan proposals received in year 2019-20**

1. Total proposals	- 529
2. Project cost	- Rs. 112 Cr.
3. Own fund	- Rs. 22 Cr.
4. Loan amount	- Rs. 13 Cr.
5. Grant	- Rs. 77 Cr.
6. Total Loan and Grant	- Rs. 90 Cr.

- **Loan proposals received after MOKA tapasani -**

1. Total proposals	- 428
2. Project cost	- Rs. 84 Cr.

3. Own fund	- Rs. 13 Cr.
4. Loan amount	- Rs. 10 Cr.
5. Grant	- Rs. 61 Cr.
6. Total Loan and Grant	- Rs. 71 Cr.

- **Details regarding approval of the scheme -**

1. Government Resolution No.S.1018/Q.No.126/18-S, dated 02 January 2019 was approved by the government till the year 2019-2020
2. Government Resolution No.1118/Q.No.143/18-S, dated 26 February 2019 the government approved the disbursement of Rs. 80.00 Cr. Funds.
3. Government Resolution No. FY-2020/Q.No.65/Arth-3, dated 04 May 2020 The funds were reached to the government.
4. Government Resolution No. meeting-1222/Q.No.199/18-S, dated 23 January 2023 to approve the extension of the said scheme from the year 2020-21 to 2022-23 with retrospective effect and extension to the year 2023-24.
5. Government Resolution No. supplements -0223/Q.No.35/18-S, dated 31 March 2023 disbursement of loans and grants to 428 societies and disbursement of 2% administrative cost to the Corporation the total is being Rs.72.42 Cr.
6. Government Decision No. Sankirna-0224/P.No.49/18-S, dated 24th June, 2024 regarding extension of this scheme for the year 2024-25.

- **Current Status -**

1. As per Government Resolution dated 31 March 2023 funds available - 72.42 Cr.
2. Loan proposals of 321 societies out of 428 have been received and further action is underway.
3. 185 out of 321 societies loan amount Rs.- 3.64 Cr. disbursed.
4. 120 out of 185 societies grant amount Rs. 13.75 Cr. disbursed.