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**GOVERNMENT OF ODISHA
COOPERATION DEPARTMENT**

No. 3376 /Coop., Date: 10-06.19
I-CR-35/2019

From

Dr. Krishan Kumar, IAS
Commissioner-cum-Secretary to Government

To

All Collectors

Sub: Khariff 2019 Campaign

Madam /Sir,

The crop season Khariff 2019 has commenced from 1st April 2019 and the Seasonal Agriculture Operations (SAO) by the farming community will begin soon. As around 83% of the farm families in the State are small and marginal farmers, timely dispensation of crop loans is considered to be a critical factor for agriculture production and productivity.

The Short Term Cooperative Credit Structure having a share of around 65% in crop loan dispensation in the State should remain prepared for timely credit disbursal to the farm families. During Khariff 2018 season, the cooperatives have disbursed Rs. 6806.10 crores to 17,95,569 farmers and at the same time all the Commercial Banks including Regional Rural Banks have financed Rs. 3386.80 crores.

2.1. The crop loan investment programme for Cooperative Banks for ensuing Khariff season has been fixed at Rs. 7500.00 crore. The DCCB-wise and the District-wise allocation of the target is indicated in the appended statements. However, in case of Commercial Banks and Regional Rural Banks, the target will be given separately by the State Level Bankers Committee and would be communicated shortly.

2.2 In almost all the Districts, the Scale of Finance for various crops has been finalized and the Banks are ready to disburse crop loans to the farmers as and when required by them.

2.3. Interest subsidy/ subvention would be provided to the Cooperative Banks / Commercial Banks / Regional Rural Banks during the current year i.e. 2019-20 for providing short term agricultural loans to the farm families at the concessional rate of interest of 4% to the borrowers availing loans up to Rs. 50,000/- and 5% interest to the farmers availing loans up to Rs. 50,001/- and Rs. 3,00,000/-. However, effective

rate of interest for crop loan upto Rs.50,000/- will be 0% taking into account the interest incentive of 3% admissible to the prompt paying farmers, who repay their loans on or before the due dates and as per the decision of the Government communicated vide Notification issued by Agriculture and Farmers Empowerment Department vide No.23130 dated 22.12.2018 in which further 1% reduction of interest on crop loan has been permitted. Further after allowing the admissible interest incentive of 3% for the prompt paying farmers, the effective rate of interest for crop loan amounting to Rs.50,000/- to Rs.3.00 lakh will be 2%. Loans over and above Rs. 3,00,000/- shall be provided at commercial rate, which would be decided by the Banks concerned. Since interest subvention is to be provided to the Commercial Banks and Regional Rural Banks in addition to the Cooperative Banks, you are requested to ensure that these Banks should take immediate initiative to disburse crop loans to the intending farmers as per the Scale of Finance fixed for the Districts.

2.4. The responsibility of fixation of crop wise target has been given to the officers of the Agriculture and Cooperation Departments working at the base level so that there will be coherence in planning for cultivation of various crops, availability of inputs like seeds and fertilizers followed by output marketing.

2.5. Pradhan Mantri Fasal Bima Yojana will continue in Khariff, 2019 crop season as per the operational modalities approved / to be approved by the State Government. The premium on all food grain and oil seeds crops (all cereals, millets, pulses and oil seeds crops) cultivated during Khariff, 2019 has been fixed at 2% of the Sum Insured or actuarial rate, whichever is less. Similarly, for annual commercial/ annual horticultural crops, the insurance premium has been fixed at 5% of the Sum Insured or actuarial rate, whichever is less. Steps should be taken to cover all loanee farmers of all the Banks under Pradhan Mantri Fasal Bima Yojana.

The modalities for coverage of various crops under the Pradhan Mantri Fasal Bima Yojana is being decided and a comprehensive guideline on implementation of PMFBY shall be issued separately.

2.6. The following aspects should be ensured while advancing crop loans during Khariff, 2019.

- (i) The DCCBs are required to prepare action plan to cover the left-out agricultural families under cooperative credit network by issuing fresh Kisan Credit Cards and extending crop loans for their Khariff operations with

emphasis on small and marginal farmers. The fresh credit limits should be sanctioned and Rupay KCC be issued within a period of 15 days from the date of submission of application.

- (ii) The target for quantum of loan to be disbursed and the number of farmers to be covered under Khariff finance should be fixed PACS wise and village wise to ensure extensive coverage. Thrust should be given for providing credit to the small and marginal farmers.
- (iii) Short Term Credit facility needs to be extended to Self Help Groups including women's groups, tenant farmers and oral lessees. Organisation and credit linkage of Joint Liability Groups should be encouraged for agricultural and allied agricultural operations following the guidelines issued by NABARD. As such, adequate steps should be taken to cover maximum number of sharecroppers under crop financing through group approach. The PACS should be advised to dispense at least 10% of the crop loan in favour of share croppers through Joint Liabilities Groups (JLGs).
- (iv) Priority should be given towards financing of pulses, oilseeds, potato and other remunerative cash crops.
- (v) Financing of remunerative commercial crops and seasonal horticultural crops for which market is readily available should be given priority and a special drive may be taken for the purpose.
- (vi) The farmers may be sensitized to operate upon their credit limits as many times as they may have surplus funds so that the credit limits sanctioned in their favour are properly utilized and the interest on the crop loan is kept at the minimum level.
- (vii) Productive utilization of the crop loans provided by the Cooperative Banks and Commercial Banks, supply of inputs like fertilizers, pesticides and improved seed under the kind component (B-component) of the loans should be ensured. The PACS should be sensitized to preposition fertilizers in their godowns sufficiently ahead so that there would not be shortage of fertilizer at the time of need of the farm families.
- (viii) MARKFED has been advised to take adequate steps for pre-positioning of adequate stocks of fertilizer at their godowns / depots at the District / Block level to facilitate supply of fertilizers to the PACS of the required varieties and

quantities well in time. Government has provided a Corpus Fund of Rs. 75.00 crores to the MARKFED to ensure timely prepositioning and supply of fertilizer. The Divisional DRCS, Secretaries of the DCCBs and the Area Managers of MARKFED should prepare detailed programme for distribution of fertilizer to the loanee farmers through the PACS. Cash sale for the non-loanee farmers in the PACS may also be allowed, in case of necessity.

- (ix) The Seed Sales Centres of the PACS should be activated for supply of quality seeds provided by the Odisha State Seeds Corporation to loanee-farmers. The Agriculture Department will continue to directly credit the subsidy on the seeds to the farmers accounts during the current Khariff season.
 - (x) Creation of assets through agriculture term loans like financing of tractor, power tiller, pumpset, minor irrigation, farm mechanization , plantations / horticulture and allied agriculture activities like dairy, poultry and fisheries should be given due emphasis. The Banks should continue to keep close coordination with other line Departments so that farmers can take the advantage of the welfare schemes and interest subvention meant for the Agricultural Term Loans from the Government. In the meantime, revision has been made with regard to share linkage in case of Agriculture Term Loans which has been communicated in details by Registrar of Cooperative Societies (O) vide letter No.7891 dated 19.04.2018. Regarding mortgage of immovable properties as collateral for financing Agriculture Term Loans, it has been stipulated that instead of collateral, the asset created / acquired out of the loan shall be secured by charge creation and hypothecation of the assets.
 - (xi) The field Officers of both Agriculture Department (including Horticulture) and Cooperation Department should conduct joint tours within their area to ensure that the crop loans are utilized for productive purposes and the term loans for creation / development / acquisition of assets are not misutilized.
3. The Khariff crop loan target may be discussed with the field level functionaries of the Agriculture, Horticulture and other line Departments. Other Organizations as an integrated approach is required to be adopted for implementation of different schemes / programmes. This will ensure hassle free, timely and adequate credit flow to farm families through PACS and also commercial banks including Regional Rural Banks to enable them to adopt appropriate cropping pattern, make use of farm inputs and advanced practices to increase production,

productivity and income of the farmers. You may convene District Consultative Committee (DCC) under your chairmanship to discuss the above issues with field level functionaries and the bankers.

You are requested to ensure that all-out efforts are put in by all the relevant field functionaries to make the Khariff programme a success.

Yours faithfully



Commissioner-cum-Secretary to Government

Memo No. 3377 /Coop., Date: 10.06.19

Copy forwarded to the P.S to Minister, Cooperation for kind information of Hon'ble Minister.



Deputy Secretary to Government

Memo No. 3378 /Coop., Date: 10.06.19

Copy forwarded to the P.S to Chief Secretary / P.S to Development Commissioner-cum-ACS / P.S to Agriculture Production Commissioner for kind information of Chief Secretary / Development Commissioner / Agriculture Production Commissioner.



Deputy Secretary to Government

Memo No. 3379 /Coop., Date: 10.06.19

Copy forwarded to the P.S to Principal Secretary to Government, Agriculture & FE Department for kind information of Principal Secretary.



Deputy Secretary to Government

Memo No. 3380 /Coop., Date: 10.06.19

Copy forwarded to the RDC, Northern / Central / Southern Division for information and necessary action.



Deputy Secretary to Government

Memo No. 3381 /Coop., Date: 10.06.19

Copy forwarded to RCS, Odisha / Engineer-in-Chief, Water Resources / All Divisional DRCS : / Secretaries of all DCCB for information and necessary action.



Deputy Secretary to Government

Memo No. 3382 /Coop., Date: 10.06.19

Copy forwarded to the Managing Director, OSCB, Bhubaneswar for information and necessary action.

He is requested to finalize the DCCB-wise and District-wise targets for crop-wise loan investment and the crop loan investment in respect of tenant farmers and Women's SHGs and circulate these to all DCCBs and Districts.



Deputy Secretary to Government

Memo No. 3383 /Coop., Date: 10.06.19

Copy forwarded to the Managing Director, MARKFED, Bhubaneswar for information and necessary action.

He is requested to instruct all the Area Managers to finalize the indent for the different types of fertilizer for each District in consultation with DRCS, DDA / DAO and Secretary, DCCB well in advance.

Suresh
10/6/19

Deputy Secretary to Government

Memo No. 3384 /Coop., Date: 10.06.19

Copy forwarded to Director, Institutional Finance, Finance Department / Chief General Manager, NABARD / Director, Agriculture & FP / Director, Agricultural Marketing / General Manager, OSAM Board for information and necessary action.

Suresh
10/6/19

Deputy Secretary to Government

Memo No. 3385 /Coop., Date: 10.06.19

Copy forwarded to the General Manager-cum-Convenor, SLBC, UCO Bank, Ashok Nagar, Bhubaneswar for information and necessary action.

He is requested to advise the Commercial Banks and Regional Rural Banks for their active participation during this Kharif Season and these Banks should all possible steps to achieve the target assigned to them with regard to providing ST(SAO) Finance to the Farmer.

Suresh
10/6/19

Deputy Secretary to Government

Memo No. 3386 /Coop., Date: 10.06.19

Copy forwarded to the Director, Information and Public Relations / Orissa State Cooperative Union for information and necessary action.

Suresh
10/6/19

Deputy Secretary to Government

Memo No. 3387 /Coop., Date: 10.06.19

Copy forwarded to the Deputy Director, Printing Stationary and Publication, Orissa, Unit-III, Kharvel Nagar with a request to publish the Notification in the Extra Ordinary Orissa Gazette and supply 3000 copies thereof to this Department.

Suresh
10/6/19

Deputy Secretary to Government

**CCB-WISE DISBURSEMENT OF CROP LOAN DURING KHARIFF 2018 &
TARGET FOR KHARIFF 2019**

(Rs. in Lakhs)

Sl.	Name of CCBs	Target for Khariff 2018	Achievement as on 30.09.2018				Target for Khariff 2019
			No.	Cash	Kind	Total	
1	2	3	4	5	6	7	7
1	Angul	46,500.00	145547	31473.20	11327.95	42801.15	48,500.00
2	Aska	24,500.00	66163	16688.34	5857.91	22546.25	25,800.00
3	Balasore	98,500.00	241380	63123.64	21380.92	84504.56	100,000.00
4	Banki	23,500.00	43803	13928.88	9249.34	23178.22	24,500.00
5	Berhampur	24,000.00	64866	14186.01	6085.54	20271.55	24,500.00
6	Bhawanipatna	18,000.00	40272	12650.39	5260.68	17911.07	19,300.00
7	Bolangir	27,500.00	59519	25803.72	5767.78	31571.50	32,500.00
8	Boudh	16,500.00	46198	15760.21	1536.48	17296.69	19,000.00
9	Cuttack	125,500.00	374114	112570.97	12575.64	125146.61	130,000.00
10	Keonjhar	22,500.00	82051	19996.22	879.33	20875.55	23,000.00
11	Khurda	38,000.00	82351	29716.19	4294.92	34011.11	38,500.00
12	Koraput	40,000.00	91622	29448.09	7531.93	36980.02	42,000.00
13	Mayurbhanj	19,000.00	65156	17714.82	2793.63	20508.45	21,500.00
14	Nayagarh	22,000.00	74081	12537.92	8358.62	20896.54	22,400.00
15	Sambalpur	119,000.00	157370	87982.20	18049.96	106032.16	120,500.00
16	Sundargarh	37,500.00	78293	27992.20	10075.87	38068.07	39,000.00
17	Puri-Nimapara	17,500.00	82783	15161.58	2848.96	18010.54	19,000.00
Total		720,000.00	1795569	546734.58	133875.46	680610.04	750,000.00

**District-wise disbursement of crop loan during Khariff, 2018 &
Programme for Khariff 2019**

(Rs.. In lakhs)

Sl.	Name of the CCB	Name of the District	Programme for Khariff 2018	Achievement upto 30.09.2018		Target for Khariff 2019
				No.	Amount	
1	2	3	4	4	5	6
1	ANGUL	ANGUL	26,500.00	87817	24,509.89	27,000.00
		DHENKANAL	20,000.00	57730	18,291.26	21,500.00
2	ASKA	GANJAM	24,500.00	66163	22,546.25	25,800.00
3	BERHAMPUR	GANJAM	20,400.00	55725	16,956.33	20,500.00
		GAJAPATI	3,600.00	9141	3,315.22	4,000.00
4	BALASORE	BALASORE	54,200.00	137384	45,759.50	55,000.00
		BHADRAK	44,300.00	103996	38,745.06	45,000.00
5	BHAWANIPATNA	KALAHANDI	12,500.00	29870	12,716.20	13,500.00
		NUAPADA	5,500.00	10402	5,194.87	5,800.00
6	BOLANGIR	BOLANGIR	17,500.00	41100	20,113.08	20,500.00
		SUBARNNAPUR	10,000.00	18419	11,458.42	12,000.00
7	BOUDH	BOUDH	11,100.00	30949	11,681.76	12,500.00
		KANDHAMALA	5,400.00	15249	5,614.93	6,500.00
8	BANKI	CUTTACK	23,500.00	43803	23,178.22	24,500.00
9	CUTTACK	CUTTACK	16,700.00	54866	16,950.70	18,000.00
		JAGATSINGHPUR	22,500.00	70066	21,346.14	23,000.00
		KENDRAPARA	43,700.00	144001	45,495.87	46,000.00
		JAJPUR	42,600.00	105181	41,353.90	43,000.00
10	KEONJHAR	KEONJHAR	22,500.00	82051	20,875.55	23,000.00
11	KHURDA	KHURDA	38,000.00	82351	34,011.11	38,500.00
12	KORAPUT	KORAPUT	13,300.00	36571	14,170.12	14,500.00
		MALKANGIRI	5,100.00	11797	5,061.54	5,500.00
		NAWARANGPUR	13,800.00	22564	10,225.29	14,000.00
		RAYGADA	7,800.00	20690	7,523.07	8,000.00
13	MAYURBHANJ	MAYURBHANJ	19,000.00	65156	20,508.45	21,500.00
14	NAYAGARH	NAYAGARH	22,000.00	74081	20,896.54	22,400.00
15	SAMBALPUR	BARGARH	69,300.00	91918	62,020.42	69,500.00
		SAMBALPUR	30,000.00	34682	26,826.07	30,500.00
		JHARSUGUDA	11,500.00	15726	9,658.85	12,000.00
		DEOGARH	8,200.00	15044	7,526.82	8,500.00
16	SUNDARGARH	SUNDARGARH	37,500.00	78293	38,068.07	39,000.00
17	PURI	PURI	17,500.00	82783	18,010.54	19,000.00
	Grand Total		720,000.00	1795569	680,610.04	750,000.00