

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1123.**  
TO BE ANSWERED ON 27/07/ 2022

**Capacity expansion of Co-operative Societies**

**1123 # Shri Narhari Amin:**

Will the Minister of COOPERATION be pleased to state:

- (a) whether it is a fact that there are about 80,000 Cooperative Societies in Gujarat;
- (b) if so, the details of the steps taken by Government for development and capacity expansion of these societies; and
- (c) whether financial assistance is being provided by Government for capacity expansion of these societies after the formation of a separate Ministry, if so, the details thereof?

**ANSWER**

THE MINISTER OF COOPERATION  
सहकारितामंत्री (SHRI AMIT SHAH)

(a) As per Statistical Profile – 2018 published by NCUI there are 77,550 Cooperative Societies in Gujarat.

(b)&(c) In order to revitalize the cooperative sector, bring transparency, modernization, computerization, creating competitive cooperatives, capacity building of cooperatives and deepening its reach to the grassroots, the Ministry of Cooperation has taken various initiatives for entire Country including the Cooperative Societies of Gujarat Some of these far reaching initiatives are listed below:

1. On 1st June, 2022, Union Cabinet has taken a decision allowing cooperatives to register as 'buyer' on Government e-Marketing platform, enabling them to procure goods and services from about 40 lakh vendors registered on the GeM portal throughout the country. This will help cooperatives in making savings and improving transparency in their procurement system.
2. A centrally sponsored project "Computerization of Primary Agriculture Credit Societies (PACS)" has been launched on 29<sup>th</sup> June, 2022 with a budgetary outlay of Rs 2,516 crores for digitalization of 63,000 functional PACS which are at the bottom of the three-tier rural credit structure.
3. Draft model bye-laws for PACS are being prepared in consultation with the State Governments, National Cooperative Federations and all other stakeholders to diversify their activities and make them vibrant multi-purpose economic entities at village level.
4. Government vide its notification dated 25th October, 2021 offered a major relief to co-operative sugar mills by clarifying that sugar co-operative mills shall not be subjected to additional income tax for paying higher sugarcane prices to farmers upto to the Fair and Remunerative Price (FRP) or State Advised Price (SAP), as the case may be.

5. Surcharge on Co-operative societies was reduced from 12 % to 7% for those co-operative societies having a total income of more than Rs. 1 Cr. and up to Rs. 10 Cr. to enhance the income of Co-operative societies and its members.
6. Minimum Alternate Tax (MAT) rate reduced for the Co-operatives from 18.5% to 15% to provide them a level playing field with Corporates.
7. In order to provide adequate, affordable and timely credit to the co-operative institutions to give a boost to the co-operative based economic development model, non-scheduled Urban Co-operative Banks, State Co-operative Banks and District Central Co-operative Banks has been notified as Member Lending Institutions of the scheme by the Credit Guarantee Fund Trust (CGTMSE).
8. On 8<sup>th</sup> June, 2022, in the co-operative banking sector was to given a new impetus to the development of cooperatives by RBI viz:
  - a. The limit of individual housing loan has been doubled for Urban Co-operative Banks (UCBs) and Rural Co-operative Banks (RCBs).
  - b. The RCBs have been allowed to lend to Commercial Real Estate Residential Housing sector.
  - c. UCBs have now been allowed to provide doorstep-banking facility to their customers like commercial banks.
9. The Ministry is also taking initiative to formulate ‘Cooperation to Prosperity’ Scheme with the aim of all round development of cooperatives.
10. A scheme for modernizing and professionalizing the cooperative education and training institutions across the country is also under formulation.

In addition to some of the above initiatives taken by the Ministry of Cooperation, other Ministries/ Departments of Government of India are also running several schemes for providing benefits to the cooperatives, such as:

1. Agriculture Infrastructure fund (Ministry of Agriculture and Farmers Welfare) – Interest subvention of 3 % and credit guarantee is provided by the Government for availing loan up to Rs. 2 crores, for development of infrastructure projects at farm gates, by PACS, FPOs, entrepreneurs, start-ups and other beneficiaries.
2. Dairy Processing and Infrastructure Development Fund (Department of Animal Husbandry and Dairying) – The Scheme envisages providing loan assistance and interest subvention of 2.5 % to State Dairy Federations, District Milk Unions, Milk Producers Companies, Multi State Cooperatives and NDDB subsidiaries across the country who are termed as Eligible End Borrowers (EEBs) for the purpose of establishing new milk processing units, its modernization, re-development services, milk testing apparatus, BMC units, storage facilities, transportation and marketing.
3. Fisheries and Aquaculture Development Fund (Department of Fisheries) – This scheme provides concessional finance support facility with 3 % Interest Subvention for development of various inland fisheries activities which includes setting up of brood banks, development of hatcheries, development of aquaculture, establishment of cage culture in reservoir, construction of ice plants, construction of cold storage, fish transport etc.
4. Tribal Co-Operative Marketing Development Federation of India Limited (TRIFED) spearheads implementation of Van Dhan programme for collection and selling on Minor Forest Produce (MFP) in Districts which have predominantly forest dwelling tribal population. The idea is to set-up tribal community-owned Van Dhan Vikas Kendra Clusters (VDVKCs) in the Tribal Districts. For this purpose, 100 % assistance is provided by the Government to the collectives in the form of SHGs/ Van Dhan Kendras.

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