

Guidelines

Strengthening Cooperative Movement in the Country and Deepening its Reach up to the Grassroots

1. INTRODUCTION

- 1.1 Cooperative movement is the backbone of rural economy. Presently, around 29 crore people are directly linked with cooperative sector in India.
- 1.2 There are 98,995 Primary Agricultural Credit Societies (PACS) in the country, with a member base of around 13 crores, providing short-term and medium-term credit and other input facilities like fertilizers, pesticides, seeds, etc. to farmers. In the dairy sector, there are nearly 1,99,000 primary dairy cooperatives with around 1.5 crore members and engaged in milk procurement, providing milk testing facilities, cattle feed sale, extension services, etc. to the members. In the fisheries sector, there are about 25,297 primary fishery cooperatives with around 38 lakh members, providing marketing facilities to them, assisting them in procuring fishing equipment, fish seed and feed, and also providing credit facilities on a limited scale.
- 1.3 Out of 2,55,643 Panchayats in the country, nearly 1.6 lakh Panchayats are without PACS and nearly 2 lakh Panchayats are without any dairy cooperative society. Given the important role played by these primary level cooperative societies, there is a need to make concerted efforts to strengthen and establish such primary cooperative societies to cover all panchayats / villages, as the case may be, for economic and social upliftment in rural areas.
- 1.4 In view of the same, a plan to establish new multipurpose PACS or dairy/ fishery primary cooperative societies in each uncovered Panchayat / village, as the case may be, and to strengthen the existing PACS/ Dairy/ Fishery cooperatives by leveraging the 'whole-of-Government' approach, has been approved by the Government.

1.5 The plan will be implemented through social mobilization with the support of National Bank for Agriculture and Rural Development (NABARD), National Dairy Development Board (NDDB) and National Fisheries Development Board (NFDB) and utilization of the outlays provided under the following identified schemes of Government of India:

A. Department of Animal Husbandry and Dairying, Government of India:

- a. National Programme for Dairy Development (NPDD)
- b. Dairy Processing and Infrastructure Development Fund (DIDF)

B. Department of Fisheries, Government of India

- a. Pradhan Mantri Matsya Sampada Yojana (PMMSY)
- b. Fisheries and Aquaculture Infrastructure Development Fund (FIDF)

1.6 In addition, to improve the viability of PACS, model byelaws for PACS, prepared by the Ministry in consultation with all the stakeholders, have been circulated to all the States/UTs for adoption by PACS subject to their respective State/UT Cooperative Societies Acts. These would enable PACS to diversify their businesses by undertaking more than 25 economic activities, including dairy, fisheries, short-term and long-term credit, LPG/CNG/diesel/petrol distributorship, custom hiring centers, fair price shops, etc.

1.7 A national cooperative database is also being prepared by Ministry of Cooperation where country-wide mapping of cooperatives at Panchayat and village level is being carried out with the support of Registrars of Cooperative Societies of States/UTs. A comprehensive database of PACS has been developed in January, 2023 capturing details of more than 1 lakh PACS/ Large Area Multi-Purpose Societies (LAMPS)/ Farmers Service Societies (FSS). Further, details of more than 1,34,000 dairy cooperative societies and nearly 25,000 fishery cooperative societies have also been captured. This exercise would provide a list of Panchayats and villages not served by PACS, dairy and fishery cooperative societies.

2. IMPLEMENTATION METHODOLOGY

- 2.1 **Target:** The initial target is to establish two lakh new multipurpose PACS or dairy/ fishery primary cooperative societies covering all the Panchayats/villages in the country, as the case may be, in the next five years.
- 2.2 An Inter-Ministerial Committee (IMC) under the Chairmanship of Hon'ble Minister of Cooperation has been constituted to modify guidelines/ implementation methodologies of the identified schemes, including provision for social mobilization cost as per requirement, as and when need arises, within the approved outlays and prescribed goals, for setting up new multipurpose PACS or dairy/ fishery primary cooperative societies in each uncovered Panchayat / village, as the case may be, and strengthening existing PACS or Dairy/ Fishery cooperatives. Hon'ble Minister of Agriculture and Farmers Welfare; Hon'ble Minister of Fisheries, Animal Husbandry and Dairying; Secretaries of Ministries concerned, etc. are the members of the IMC.
- 2.3 A National Level Coordination Committee (NLCC) has been constituted under the chairmanship of Secretary (Ministry of Cooperation) with Secretaries from Ministries concerned; Secretary (Cooperation) of States/ UTs and Chairman of NABARD, NDDDB; MD, National Cooperative Development Corporation (NCDC); Chairman/ MD of National Federation of State Co-operative Banks Ltd (NAFSCOB), National Cooperative Dairy Federation of India (NCDFI), National Federation of Fishers Cooperatives Ltd. (FISHCOPFED); Chief Executive NFDB; Member (Agriculture) NITI Aayog, etc., as members. Its roles and responsibilities will be as per para 3.1 of the guidelines.
- 2.4 NCDC will be the implementing agency for the plan and a Project Management Unit (PMU) manned by management and technical experts would be set up at NCDC. Its roles and responsibilities will be as per para 3.5 of the guidelines.

2.5 A State Cooperative Development Committee (SCDC) chaired by Chief Secretary of the State would be set up with State Government Secretaries of Departments of Cooperation, Animal Husbandry & Dairying, Fisheries, Rural Development, Finance, Agriculture & Revenue; Registrar of Cooperative Societies, representatives from NABARD, NDDB and NFDB; Chairman/ MD of the State Cooperative Banks and Chairman/ MD of the State Federations of Dairy and Fishery societies, etc., as members. Its roles and responsibilities will be as per para 3.7 of the guidelines.

2.6 A District Cooperative Development Committee (DCDC) under the chairmanship of District Collector would be constituted with District Development Manager, NABARD; representatives of NDDB, NFDB; Managing Director of District Central cooperative Bank (DCCB); District Cooperation Officer/ Deputy Registrar of cooperative societies; CEO Zilla Panchayat; District Officers of Animal Husbandry & Dairying, Fisheries and Rural Development; Managing Director of District Milk Union, Managing Director of District Fishery Federation, etc., as members. Its roles and responsibilities will be as per para 3.8 of the guidelines.

3. ROLES & RESPONSIBILITIES

3.1 National Level Coordination Committee (NLCC)

- a. To steer the overall implementation of the scheme, including its monitoring and review.
- b. To modify these guidelines, as and when need arises, to ensure effective implementation of the plan.
- c. To coordinate with stakeholders concerned for resolution of any State-specific issue(s) that may arise during the implementation stage.
- d. Any other related matters.

3.2 Ministry of Cooperation

- a. To convene the meetings of Inter-Ministerial Committee (IMC).
- b. To maintain the database of PACS, dairy and fishery cooperative societies in association with National Cooperative Union of India (NCUI), concerned State Registrars, District Nodal Registrars, NABARD, NAFSCOB, NDDB, NCDFI, NFDB and FISHCOPFED.
- c. To review implementation of the plan to establish multipurpose PACS or primary dairy/ fishery cooperative societies across the Country.
- d. Any other related matters.

3.3 Ministry of Fisheries, Animal Husbandry and Dairying

- a. To extend necessary support to NDDB, NFDB, NCDFI and FISHCOPFED for preparation of national level action plan and its smooth implementation.
- b. To examine the applications submitted by primary cooperative societies for availing the benefits under various identified schemes and extend benefits accordingly.
- c. To prepare model DPRs for the schemes and circulate it to the primary cooperative societies.
- d. To extend support in preparation of National Cooperative Database.
- e. To assist in linking the central portal/ dashboard under this plan with the existing portals of the Ministry of Fisheries, Animal Husbandry and Dairying.
- f. Any other related matters.

3.4 Ministry of Agriculture and Farmers Welfare

- a. To examine the applications submitted by primary cooperative societies for availing the benefits under various schemes and extend benefits accordingly.
- b. To prepare model DPRs for the schemes and circulate it to the primary cooperative societies.
- c. To assist in linking the central portal/ dashboard under this plan with the existing portals of the Ministry of Agriculture and Farmers Welfare.

- d. Any other related matters.

3.5 NCDC

- a. To set up Project Management Unit (PMU), comprising management and technical experts.
- b. To coordinate with all Ministries concerned, State Governments/ UT Administrations, NABARD, NAFSCOB, NDDB, NCDFI, NFDB, FISHCOPFED, State Cooperative Banks, District Central cooperative Banks and all other stakeholders for implementation of the project.
- c. To follow up with Ministries of Government of India for approval of the proposals sent by the cooperative societies for taking benefits under various schemes.
- d. To coordinate with the PMU established for National Cooperative Database for any software update, establishing MIS, regular updation of database, etc.
- e. Any other related matters.

3.6 NABARD, NDDB and NFDB

- a. NABARD, NDDB and NFDB to prepare national level action plans for strengthening of primary cooperative societies and establishment of new multipurpose PACS or primary Dairy/ Fishery cooperative societies, as per requirement.
- b. NABARD to appraise projects and provide credit support to PACS/ Dairy/ Fishery cooperatives through State Governments, State Cooperative Banks, District Central Cooperative Banks, NDDB and NFDB.
- c. To extend financial assistance to eligible cooperative societies and monitor utilization of funds extended.
- d. Any other related matters.

3.7 State Cooperative Development Committee (SCDC)

- a. To ensure that all the Panchayats/villages in the State are covered by multipurpose PACS or primary dairy/ fishery cooperative societies, as the case may be.
- b. To review the district-wise action plan for setting up new multipurpose PACS or primary dairy/ fishery cooperative societies, with a total target of establishing two lakh such societies in the next five years across the country.
- c. To extend all necessary support in preparation and updation of National Cooperative Database.
- d. To prepare an action plan, in coordination with NABARD, NDDB, NFDB, NAFSCOB, NCDFI & FISHCOPFED to set up State/ District level federations if not presently existent, as per requirement and viability assessment.
- e. To assist in establishing linkages of existing and new primary cooperative societies with DCCBs/ StCBs and/ or their respective District and State level Federations.
- f. To ensure convergence of various schemes of Government of India at the level of PACS or dairy/ fishery primary cooperative societies to make them vibrant economic entities.
- g. To provide all necessary policy support for creation of infrastructure at the level of cooperative societies, including allotment of Government/ Gram Sabha land to PACS.
- h. To extend all necessary support to District Cooperative Development Committee (DCDC) for implementation of the plan at the grassroots level.
- i. To monitor the progress of implementation of the action plan at the State level.
- j. Any other related matters.

3.8 District Cooperative Development Committee (DCDC)

- a. To ensure regular and timely updation of National Cooperative Database.

- b. To prepare the District Plan for setting up of new multipurpose PACS or primary dairy/ fishery cooperative societies on the basis of the gap analysis from National Cooperative Database.
- c. To ensure that all the Panchayats/villages in the district are covered by multipurpose PACS or primary dairy/ fishery cooperative societies, as the case may be.
- d. To establish linkages of existing and new primary cooperative societies with DCCBs/ StCBs and/ or their respective District / Block level Federations, if any, with the support of State Government and other stakeholders concerned. If District/ Block level Federations are not existent, then linkages may be established with the Federations present in nearby District/ Block.
- e. To facilitate setting up of District level federations, if not presently existent, as per requirement and viability assessment, in coordination with State Government and stakeholders concerned.
- f. To facilitate registration of new primary cooperative societies with the support of Registrar of Cooperative Societies.
- g. To ensure dovetailing of various schemes of Government of India at the level of PACS or primary dairy/ fishery cooperative societies to improve their viability and make them vibrant economic entities.
- h. To provide all necessary infrastructure and logistical support to primary cooperative societies at the Panchayat/ village level, including allotment of Government / Gram Sabha land to PACS.
- i. To coordinate with all stakeholders concerned and provide all necessary support for ensuring implementation of the plan at the ground level.
- j. Any other related matters.
