

Annual Report

2022-23



सहकारिता मंत्रालय
Ministry of Cooperation
भारत सरकार
Government of India



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“Sahkar se Samriddhi”

PREFACE

To realize the vision of “Prosperity through Cooperation” of Hon'ble Prime Minister Shri Narendra Modi, a separate Ministry of Cooperation was established on July 6, 2021. Under the able leadership and guidance of the first Cooperation Minister of the Country Shri Amit Shah, the Ministry of Cooperation has taken many new initiatives and historical steps for the strengthening of Cooperative Sector in a short span of a year.

Brief information is being provided on these new initiatives and schemes launched by the Ministry through the first Annual Report 2022-23 of the Ministry of Cooperation, which will prove beneficial for all the stakeholders of the cooperative sector and strengthen the cooperative sector.



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CHAPTER-1

ABOUT MINISTRY OF COOPERATION

"Individual liberty and inter-dependence are both essential for life in society. Only a Robinson Crusoe can afford to be all self-sufficient. When a man has done all he can for the satisfaction of his essential requirements he will seek the co-operation of his neighbours for the rest. That will be true co-operation."

Mahatma Gandhi

1.1 Overview

Cooperatives are universally accepted as an essential instrument of social and economic policy and have inherent advantages in tackling the problems of poverty alleviation, food security, and employment generation. These have immense potential to deliver goods and services at the grass-root level. Cooperatives are people-centric rather than capital-centered organizations and they bring in cohesiveness, community business sense and enhance social bonding (through collective efforts).



PM addresses post-budget webinar on 'Agriculture & Cooperatives' on 24th February, 2023

The cooperative sector plays a significant role in the overall economic development of the country with its member driven inclusive approach. It has the required capability to ensure equitable and concerted efforts towards enhancing the flow of timely, adequate and door-step support to various critical infrastructure, input services, irrigation, marketing, processing and community storages, etc., and also for other activities such as poultry, fisheries, horticulture, dairy, textiles, consumer, housing, health etc.

There are 8.5 lakh cooperative units in India out of which 1.77 lakh units (20%) are credit cooperatives and the remaining are non-credit cooperatives carrying out various activities such as producer, processing, consumer, industrial, marketing, tourism, hospital, housing, transport, labour, farming, service, livestock, multi-purpose cooperatives, etc.

There exists a huge untapped potential of these community owned and members-driven economic entities. There is also a need to identify and address suitably the issues faced by sectoral cooperatives in ensuring and expediting momentum in the cooperative movement in the country. Some of the vital issues, which need intervention for achieving '*Sahkar se Samridhi*' in the country are:

- a) Regional/ state level and sectoral imbalances in the cooperative movement
- b) Regulatory complexities
- c) Governance, leadership and operational issues
- d) Lack of professional management in cooperative units
- e) Need for time-tested structural reform measures
- f) Lack of cooperation amongst cooperatives

1.2 Creation of the Ministry of Cooperation

The subject of cooperation was earlier administered through the Cooperation Division of the erstwhile Department of Agriculture, Cooperation & Farmers Welfare under Ministry of Agriculture and Farmers Welfare. In a historic move, a separate 'Ministry of Cooperation' was created by the Union Government vide Cabinet Secretariat's Gazette Notification No. 2516 dated 6th July, 2021 for realizing the mantra of '*Sahkar se Samridhi*'.

The Ministry is headed by Shri Amit Shah, Hon'ble Minister for Cooperation and is assisted by Shri B. L. Verma, Hon'ble Minister of State for Cooperation. Secretary (Cooperation) is the administrative head of the Ministry and is assisted by an Additional Secretary, an Additional Secretary & Financial Adviser, two Joint Secretaries and one Central Registrar of Cooperative Societies (CRCS).



Shri Amit Shah, Hon'ble Minister of Home & Cooperation addresses Senior Officers of the Ministry

The Ministry has a sanctioned strength of 197 posts out of which 126 posts belong to the Ministry and 71 posts belong to the Office of Central Registrar of Cooperative Societies (CRCS). The Ministry is working with 65 regular staff, which is about 33% of sanctioned strength. Apart from that two officers from Indian Economic Service and two officers from Indian Statistical Service are also working on special assignments in the Ministry. The Organisational Structure is placed at ***Annexure-I***.

1.3 Vision and Mission of the Ministry

VISION

"Sahakar se Samridhhi" or Prosperity through Cooperation

MISSION

"To provide a separate administrative, legal and policy framework for strengthening the cooperative movement in the country. It aims to deepen cooperatives as a true people-based movement reaching up to the grassroots and develop a cooperative based economic model where each member works with spirit of responsibility"



National Cooperative Conference on 25th September, 2021 in New Delhi

1.4 Mandate (Business Allocation) of the Ministry:

The mandate of the Ministry of Cooperation as per the Government of India (Allocation of Business) Rules, 1961 is:

- General Policy in the field of Cooperation and Co-ordination of Cooperation activities in all sectors.

Note: - The Ministries concerned are responsible for Co-operatives in the fields.

- Realization of vision “from cooperation to prosperity”.
- Strengthening of cooperative movement in the country and deepening its reach up to the grassroots.
- Promotion of cooperative-based economic development model, including the spirit of responsibility among its members to develop the country.
- Creation of appropriate policy, legal and institutional framework to help cooperatives realize their potential.
- Matters relating to National Co-operative organization.
- National Co-operative Development Corporation.
- Incorporation, regulation and winding up of Co-operative societies with objects not confined to one State including administration of ‘the Multi-State Cooperative Societies Act, 2002 (39 of 2002)’:

Provided that the administrative Ministry or Department shall be ‘the Central Government’ for the purpose of exercising powers under the Multi-State Co-operative Societies Act, 2002(39 of 2002), for Co-operative units functioning under its control.

- Training of personnel of co-operative departments and co-operative institutions (including education of members, office bearers and non-officials).

Seven Cooperative Principles

In 1995, the International Cooperative Alliance (ICA) adopted the revised Statement on cooperative identity which contains the definition of a cooperative, the values of cooperatives, and the seven cooperative principles. These principles have been accepted universally:

1. Open and Voluntary Membership
2. Democratic Member Control
3. Members' Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community

1.5 Establishment of New Ministry

The Ministry of Cooperation started functioning from very limited office space allocated to it in Krishi Bhavan and Janpath Bhavan with the help of few officers. Within a short span of 20 months, the Ministry has got well established. In July 2022, Ministry along with the office of CRCS was shifted to “Atal Akshaya Urja Bhavan”, at Lodhi Road, New Delhi. To fulfil its mandate and vision, Ministry of Cooperation has taken several measures.

- Well-planned establishment of the Ministry under the supervision of Hon'ble Minister for Home and Cooperation Shri Amit Shah.
- In 20 months, about 24 new initiatives taken.
- 28 detail action plans were prepared.
- 11 teams formed at the level of Director/Deputy Secretary under the leadership of Additional/Joint Secretary.
- 2 Bills, 1 Model Bye Laws for Primary Agriculture Credit Societies (PACS) and Bye-laws for 3 New National Cooperative Societies framed.
- 8 Cabinet Notes and 4 EFC/ DIB/ CEE/ CEF Notes prepared.
- Various meetings held with line Ministries, State Governments, National Cooperative Federations and other Stakeholders.
- Detailed meeting with Senior Officers of the Ministry every Monday under the Chairmanship of Secretary Cooperation.



National Conference of State Cooperative Ministers, 8th -9th September, 2022 in New Delhi

24 New Initiatives towards “Sahkar Se Samridhi”

1. **Computerization of Primary Agricultural Credit Societies (PACS):** Process to onboard 63,000 functional PACS on an ERP (Enterprise Resource Planning) based common national software with an outlay of ₹2,516 Crore started.
2. **Model byelaws for PACS:** Model byelaws prepared and circulated to all the States and UTs on 05.01.2023 for adoption as per the respective State Cooperatives Act to enable PACS to undertake more than 25 business activities like dairy, fishery, setting up of godowns, LPG/ Petrol/ Green energy distribution agency, banking correspondents, Common Service Centre (CSC), etc.
3. **PACS as Common Service Centres (CSC):** MoU signed between M/o Cooperation, M/o Electronics & Information Technology, NABARD and CSC– E-Governance Services India Ltd. to facilitate functioning of PACS as CSCs to improve their viability, provide e-services at village level & generate employment.
4. **National Cooperative Database:** Preparation of an authentic and updated data repository of cooperatives in the country to facilitate stakeholders in policy making and implementation.
5. **National Cooperative Policy:** A National level committee comprising experts and stakeholders drawn from all over the Country constituted to formulate the New Cooperation Policy to create an enabling ecosystem to realize the vision of ‘Sahakar-se- Samridhi’
6. **Amendment of Multi State Cooperative Societies (MSCS) Act, 2002:** Bill introduced in the Parliament to amend the centrally administered MSCS Act, 2002 to incorporate provisions of 97th Constitutional Amendment, strengthen

governance, enhance transparency, increase accountability and reform electoral process in the Multi State Cooperative Societies.

7. **National Cooperative Development Corporation (NCDC):** New schemes for cooperatives launched by NCDC in various sectors such as 'Swayamshakti Sahkar' for SHG; 'Deerghavadhi Krishak Sahkar' for long term agricultural credit; 'Dairy Sahkar' for dairy and 'Neel Sahkar' for fisheries. Total financial assistance of Rs. 34,221 Crores disbursed in FY 2021-22.
8. **Member Lending Institutions in Credit Guarantee Fund Trust:** Non-scheduled Urban Cooperative Banks (UCBs), State Co-operative Banks (StCBs) and District Central Cooperative Banks (DCCBs) notified as Member Lending Institutions (MLIs) in Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) Scheme to increase share of cooperatives in lending.
9. **Cooperatives as 'buyers' on GeM portal:** Cooperatives permitted to register as 'buyer' on GeM, enabling them to procure goods and services from nearly 40 lakh vendors to facilitate economical purchases and greater transparency.
10. **Reduction in surcharge on cooperative societies:** Surcharge reduced from 12 % to 7% for co-operative societies having income between Rs. 1 to 10 Cr.
11. **Reduction in Minimum Alternate Tax:** MAT reduced for cooperatives from 18.5% to 15%.
12. **Relief under Section 269ST of income tax (IT) Act:** A clarification has been issued to remove difficulties in cash transaction by cooperatives under Section 269ST of IT Act.
13. **Lowering tax rate for new cooperatives:** Announcement made in the Union Budget 2023-24 to charge flat lower tax rate of 15%, compared with current rate of upto 30% plus surcharge, for new cooperatives commencing manufacturing activities till March 31, 2024.
14. **Increase in limit of deposits and loans in cash by PACS and Primary Cooperative Agriculture and Rural Development Banks (PCARDBs):** Announcement made in the Union Budget 2023-24 to increase limit from Rs. 20,000 to Rs. 2 lakh per member for deposits and loans in cash by PACS and PCARDBs.
15. **Increase in limit for Tax Deducted at Source (TDS):** Announcement made in the Union Budget 2023-24 to increase cash withdrawal limit for cooperatives from Rs. 1 Crore to Rs. 3 Crore, per annum, without being subjected to TDS.
16. **Relief to Sugar Cooperative Mills:** Sugar cooperative mills not to be subjected to additional income tax for paying higher sugarcane prices to farmers upto Fair and Remunerative or State Advised Price.
17. **Resolution of chronic pending issues of Sugar Cooperative Mills:** Announcement made in the Union Budget 2023-24 to allow sugar cooperatives to claim as expenditure their payments to sugarcane farmers for the period prior to assessment year 2016-17, giving a relief of nearly Rs. 10,000 crores.

18. **Bharatiya Beej Sahakari Samiti Limited:** New apex National Multi-State Cooperative Seed society has been established under the MSCS Act, 2002 as umbrella organization for quality seed cultivation, production and distribution under a single brand.
19. **National Cooperative Organics Limited:** New apex National Multi- State Cooperative Organic society has been established under the MSCS Act, 2002 as umbrella organization to produce, distribute and market certified and authentic organic products.
20. **National Cooperative Exports Limited:** New apex National Multi- State Cooperative Export society has been established under the MSCS Act, 2002 as umbrella organization to give thrust to exports from cooperative sector.
21. **Establishment of Multi-Purpose PACS, Dairy and Fisheries Cooperative Societies in every Panchayat/Village:** In order to strengthen cooperative movement and deepen its reach up to the grassroots, a plan has been approved by the Cabinet to set up 2 lakh new multi-purpose PACS or Dairy/Fisheries cooperatives covering every Panchayat/Village in the next five years by taking advantage of various existing schemes.
22. **World's Largest Grain Storage plan in Cooperative Sector:** Under the 'Whole of Government Approach', a plan is being formulated to create decentralized grain storage infrastructure at PACS level by convergence of six existing schemes of the Government of India.
23. **National Cooperative University:** A National Cooperative University is being planned for cooperative education, training, consultancy & research and development.
24. **PACS as Farmer Producer Organizations (FPOs):** Existing PACS will also be encouraged to open FPOs under the FPO scheme of the Ministry of Agriculture and Farmers Welfare.

1.5.1 Vigilance Matters

Vigilance Unit has been set up in the Ministry under Additional Secretary, designated as Chief Vigilance Officer to ensure a transparent, responsive and corruption free work environment through surveillance and preventive & punitive measures.

1.5.2 Grievances Redressal Mechanism

A public grievance redressal mechanism has been established in the Ministry. Deputy Secretary level officers have been designated as grievance redressal officer for each division to deal with grievances relating to their subject matters. Since the creation of the Ministry, more than 37,000 public grievances and 15,000 appeals were received which have been fully disposed of within 15 days.

Table 1.1: The settlement status of Grievances as per CPGRAM portal for the year 2022-2023 (from April 01/04/2022 to March 31/03/2023) is as follows:

Sl. No.	CPGRAMS Source	Received	Disposed	Disposed percentage
1.	Local/Internet	32723	32450	99.16
2.	PMO	5782	5723	98.97
3.	DARPG	617	617	100.00
4.	President Secretariat	524	521	99.42
5.	Pension	11	11	100.00
6.	Total	39657	39322	99.15

Note:

- i. The Ministry has bagged the 1st position among all the Ministries in terms of speedy disposal of complaints/grievances.
- ii. The Ministry receives about 2,000 complaints and 800 appeals every month.

1.5.3 RTI Matters

Implementation of the Right to Information Act, 2005: Since creation of the Ministry, 1249 RTI applications for seeking information and thereon 234 appeals were received. All applications and appeals were disposed of within the stipulated time period. Division-wise Central Public Information Officers (CPIOs) and First Appellate Authorities (FAAs) have been designated. Details of the concerned Central Public Information Officers (CPIOs) of the Ministry and their appellate authorities are available on official website of the Ministry.

1.5.4 Official Language

Progressive Use of Hindi: Official language cell has been established in the Ministry. Most of the official work in the Ministry is performed in Hindi. The Ministry observed Hindi Week in September 2022, during which, two competitions were organised.

1.5.5 Matters related to Sexual Harassment at Workplace

In compliance of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, “Internal Complaint Committee” has been constituted in the Ministry to strengthen measures for safety of women and timely addressing their issues. Similar committees have also been constituted in its attached and subordinate offices.

1.5.6 Setting up IT Infrastructure in the Ministry

- i. Creating & Operationalize New Website for Ministry of Cooperation
<https://cooperation.gov.in>.
- ii. Creating new Portal for National Cooperative Database
<https://cooperatives.gov.in>.
- iii. Setting up of 150 NODE's over NICNET for the Ministry and deploying of Antivirus Applications on all the NODE's.
- iv. Implementation of new e-Office at <https://cooperation.eoffice.gov.in> and migration of data from earlier joint system from M/o A&FW.
- v. Installation of Video Conferencing System in the Ministry.
- vi. Setting up of paper less R&I Section of the Ministry and integrated it with e-Office and organizing trainings for officials & officers of the Ministry.
- vii. Implementation of biometric attendance system with portal
<http://moc.attendance.gov.in>.
- viii. Making awareness for cyber security guidelines for Officials of the Ministry.
- ix. Setting up of DR sites for portals of the Ministry over Meghraj (Cloud).

CHAPTER-2

ROLE OF COOPERATIVES IN INDIAN ECONOMY

"Solution to many of India's difficulties in self-reliance. Co-operative is a great model of self-reliance "

Hon'ble Prime Minister Narendra Modi

2.1 Evolution of Cooperative Movement in India

Even before formal cooperative structures came into being through the passing of a law, the practice of the concept of cooperation and cooperative activities was prevalent in several parts of India. Village communities were collectively creating permanent assets like village tanks or village forests and pooling resources, like foodgrains after harvest to lend to needy members of the group before the next harvest, or collecting small contributions in cash at regular intervals to lend to members of the group.

The proposal for agricultural banks was first mooted in 1858 and again in 1881 by Mr. William Wedderburn the District Judge of Ahmednagar, in consultation with Justice M.G. Ranade, but was not accepted. In March 1892, Mr. Frederick Nicholson was tasked by the Governor of Madras Presidency for enquiring into the possibility of introducing in this Presidency, a system of agricultural or other land banks. He submitted his report in two volumes in 1895 and 1897. In 1901, the Famine Commission recommended the establishment of Rural Agricultural Banks through the establishment of Mutual Credit Associations and also suggested the principles underlying Agricultural Banks.

2.1.1 Development of Cooperatives in Pre-Independence Era

Based on the recommendations of the Edward Law Committee, the Cooperative Credit Societies Act, restricted to credit cooperatives, was enacted on 25th March, 1904. Under this Act, there were 5,300 societies with a membership of over three lakhs by 1911.

The Cooperative Societies Act of 1912 was enacted to provide for non-credit cooperatives with provisions for Federations of Cooperatives. With this enactment, in the credit sector, urban cooperative banks converted themselves into Central Cooperative Banks with primary cooperatives and individuals as their members. The

first Cooperative Housing Society, the Madras Cooperative Union in 1914, the Bombay Central Cooperative Institute in 1918 and similar institutions in Bengal, Bihar, Orissa, Punjab, etc. came up. Edward Maclagen Committee in 1914 recommended building a strong three-tier structure in every province with primaries at the base, the Central Cooperative Banks at the middle tier and the Provincial Cooperative Bank at the apex, to provide short-term and medium-term finance.

With the passing of the Reforms Act, in 1919, Cooperation as a subject was transferred to the provinces. The first provincial Act viz. Bombay Cooperative Societies Act, passed in 1925, intra-alia, introduced the principle of one-man one-vote. The Royal Commission on Agriculture in 1928 recommended the setting up of land mortgage banks. Another prominent development of this time was the setting up of the All-India Association of Cooperative Institutes in 1929. Setting up of the Reserve Bank of India (RBI) in 1934 was a major development in the thrust for agricultural credit.

The Mehta Committee in 1937 recommended reorganization of Cooperative Credit Societies as multi-purpose cooperatives. During the period of 1939-1945, many societies had started banking functions and had grown in size and operations over a period of time, with substantial diversification of activities.

With the emergence of cooperatives having membership from more than one state, a need was felt for an enabling cooperative law for such multi-unit or multi-state cooperatives. The Multi-Unit Cooperative Societies Act was passed in 1942, which delegated the power of the Central Registrar of Cooperatives to the State Registrars for all practical purposes. The Cooperative Planning Committee under the chairmanship of Shri R.G. Saraiya in 1945 observed that cooperative societies were the most suitable medium for democratization of economic planning.

Under the leadership of Shri Tribhuvan Das Patel, history was made on 14th December 1946, when the Khera District Cooperative Milk Producers Milk Union commonly known as Amul was registered under Bombay Cooperative Societies Act, 1925. Shri Vaikunth Bhai Mehta took over as Minister, in-charge of Cooperation of the Bombay Government after which the cooperative movement in the province received a boost. Janardan Madan Committee on Cooperative Education and Training made recommendations for cooperative education programmes and setting up of an Education Fund.

2.1.2 Development of Cooperatives in the Post-Independence Era

After India attained Independence in 1947, cooperative development received a boost, with cooperatives being given a vital role in various plans formulated by the Planning Commission.

The First Five Year Plan (1951-56), outlined the vision of the cooperative movement in India and the rationale for emphasizing cooperatives and panchayats as preferred organizations for economic and political development. All-India Rural Credit Survey Committee in 1954 recommended introducing an integrated system of rural credit, partnership of the government in the share capital of the cooperatives and also appointment of government nominees on their boards, thus participating in their management.

The Second Five-Year Plan (1956-1961) emphasized that “building up a cooperative sector as a part of planned development” was one of central aims of National Policy. The National Cooperative Development Fund was also established by the Central Government during this period, to enable States to borrow for the purpose of subscribing to share capital of non-credit cooperative institutions in the country. Shri S.T. Raja Committee on Cooperative Law in 1956 recommended a Model Bill for consideration of State Governments. Many State Governments amended their Acts in line with the Model Bill. Another important development at this time was the National Development Council Resolution in 1958. Cooperative marketing and processing of agricultural produce formed an important part of the Integrated Scheme of Cooperative Development in the Second Plan. About 1900 primary marketing societies were set up and State Marketing Federations were established in all the States and the National Cooperative Marketing Federation was established at the Centre. Marketing cooperatives along with the agricultural cooperatives played a major role in promoting the Green Revolution by providing credit and inputs to farmers as well as processing their increased outputs.

The Third Five Year Plan (1961-1969) stressed that “cooperation should become, progressively, the principal basis of organization in branches of economic life, notably agriculture, minor irrigation, small industries and processing, marketing, distribution, rural electrification, housing & construction and provision of essential amenities for local communities. Even in the medium and large-scale industries and transport, an increasing range of activities can be undertaken on cooperative lines”.

From the mid-sixties onwards, agro processing cooperatives, particularly in the sugar and spinning sector grew in number and contribution, driven primarily by the government's policy of encouraging large scale industries in the cooperative sector and term loan assistance from financial institutions. With the setting up of Indian Dairy Corporation (now NDDB) registered under the Companies Act 1956 to replicate the Anand pattern of cooperatives in milk, the Indian dairy cooperative movement received a spurt. After the Indo-China war in 1962, both the Consumer Cooperative Structure and the Public Distribution System (PDS) were strengthened. With the growth of public deposits in Urban Cooperative Credit Societies, it was felt necessary to insure these under the Deposit Insurance Scheme of Reserve Bank of India.

Some National Institutions which came into existence in the 1960s

- The Agricultural Refinance Corporation was set up in 1962 to provide long-term loans to cooperatives, through Central Land Mortgage Banks.
- In 1963, the National Cooperative Development Corporation (NCDC) was established as a statutory corporation by an Act of Parliament.
- Setting up of various National Cooperative Federations and re-organization of the National Cooperative Union of India (NCUI).
- In 1967, the Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM) was set up in Pune.

The Fourth Five Year Plan (1969-1974) gave high priority to the re-organization of cooperatives to make cooperative short-term and medium-term structure viable. In 1965, Mirdha Committee recommendations, resulted in amendments to the cooperative legislation in most of States.

The Fifth Five Year Plan (1974-1979) took note of the high level of over-dues. In its recommended strategy for cooperative development, the correction of regional imbalances and reorienting the cooperatives towards the under-privileged, structural reform received special attention. The Plan recommended the formulation of Farmers' Service Cooperative Societies as had been envisaged by National Commission on Agriculture and stressed the need for professional management of cooperatives.

The Sixth Five Year Plan (1979-1985) also emphasized the importance of cooperative efforts being more systematically directed towards ameliorating the economic conditions of the rural poor. The Plan recommended steps for re-organizing

Primary Agricultural Credit Societies into strong and viable multi-purpose units. It also suggested strengthening the linkages between consumer and marketing cooperatives.

NABARD Act, 1981

The National Bank for Agriculture and Rural Development (NABARD) Act was passed in 1981 and NABARD was set up to provide re-finance support to Cooperative Banks and to supplement the resources of Commercial Banks and Regional Rural Banks to enhance credit flow to the agriculture and rural sector.

Multi-State Cooperative Societies Act, 1984

With the objective of introducing a comprehensive central legislation to facilitate the organization and functioning of multi-state societies and to bring uniformity in their administration and management, the MSCS Act of 1984 was enacted. The earlier Multi-Unit Cooperative Societies Act of 1942 was repealed.

The Seventh Five Year Plan (1985-1990) inter-alia recommended development of Primary Agricultural Credit Societies as multiple viable units; realignment of policies and procedures to expand flow of credit and ensure inputs and services particularly to weaker sections; special programmes for the North-eastern Region; strengthening of consumer cooperative movement in urban as well as rural areas and promoting professional management.

The Government constituted a Committee on Cooperative Law for Democratization and Professionalization of Management in Cooperatives in 1985, headed by Shri K. N. Ardhanareeswaran. Similarly, in 1989 the Agricultural Credit Review Committee under the chairmanship of Prof. A.M. Khusro examined the problems of agricultural and rural credit and recommended major systemic improvements.

Model Cooperatives Act, 1990

In 1990, an Expert Committee, under the chairmanship of Choudhary Brahm Perkash, was appointed by the Planning Commission to conduct a rapid review of the broad status of the cooperative movement, suggest future directions and finalize a Model Cooperatives Act. The Committee submitted its report in 1991. The report of the Committee, along with a draft Model Cooperative Law, was circulated to all State Governments for their consideration and adoption at State level.

On the basis of recommendations of the Choudhary Brahm Perkash Committee some States, who were facing difficulties in having the existing State Cooperative Acts amended on the lines of the Model Cooperatives Act, put in place Parallel Cooperative Legislation for self-reliant cooperatives. Ten States namely Andhra Pradesh & Telangana (1995), MP (1999), Bihar (1996), J&K (1999), Orissa (2001), Karnataka (1997) Jharkhand (1996)), Chhattisgarh (1999) and Uttarakhand (2003), have enacted Parallel Cooperative Acts. Self-reliant cooperatives are generally defined as those which have not received any assistance from the Government in the form of equity contribution, loans and guarantees.

The opening up of the economy in 1991, and the liberalized economic policies followed by the government since then, led to increasing pressure for various governments, state and central, to bring about changes that would provide cooperatives a level playing field to compete with the private sector. From Eighth Five Year Plan (1992-1997) onward, emphasis was laid on building the cooperative movement as a self-managed, self-regulated and self-reliant institutional set-up, by giving it more autonomy and democratizing the movement.

Multi-State Cooperative Societies Act, 2002

The Multi-State Cooperative Societies (MSCS) Act, enacted in 1984, was repealed in 2002 and replaced by Multi-State Cooperative Societies (MSCS) Act, 2002.

National Cooperative Policy, 2002

In 2002, the Government of India announced the National Cooperative Policy. The objective of the Policy was to facilitate an all-round development of cooperatives in the country. The policy promises to provide cooperatives with the necessary support, encouragement and assistance, to ensure their functioning as autonomous, self-reliant and democratically managed institutions, accountable to their members, and making a significant contribution to the national economy.

Based on the recommendations made at a Conference of State Ministers for Cooperation, the Government of India in 2002 constituted a Ministerial Task Force to formulate a plan of action for implementation of National Cooperative Policy. The Task Force suggested that a single law instead of parallel laws should be introduced in the States.

NCDC Amendment Act, 2002

Recognizing the need to improve its scope of lending and to bring about changes in its funding, the NCDC Act was amended in 2002, which enabled it to cover notified services, livestock and industrial activities and more importantly to directly fund cooperatives against suitable security.

Task Force on Revival of Cooperative Credit Institutions

To nurse the rural cooperative credit system back to health, to ensure that the rural credit doubled over three years and that the coverage of small and marginal farmers by institutional lending was expanded substantially, the Government of India in August 2004 set up a Task Force led by Prof. A. Vaidyanathan to suggest an action plan for reviving rural cooperative credit institutions and legal measures necessary for facilitating this process. The recommendations of the Task Force in accordance with its Terms of Reference were basically confined to revival of credit cooperatives for which it suggested a financial package. The Vaidyanathan Committee also suggested a model cooperative law that could be enacted by the State Governments. The Vaidyanathan Committee also gave its report on the long-term cooperative credit structure.

The Constitution (Ninety - Seventh Amendment) Act, 2011: The Constitution (Ninety - Seventh Amendment) Act, 2011, granted constitutional status to the Cooperative Societies and made the following provisions, namely:

- i. Right to form cooperative societies was included as a Fundamental Right by insertion of the words “cooperative societies” in Article 19(1)(c) in Part III of the Constitution.
- ii. Article 43B was inserted in Part IV of the Constitution as Directive Principle of State Policy for promotion of cooperative societies.
- iii. Part IX B ‘The Cooperative Societies’ was inserted with provisions for incorporation, regulation and winding up of co-operative societies.

The Constitution (Ninety - Seventh Amendment) Act, 2011 came into force w.e.f. 15.02.2012. However, Gujarat High Court, vide Judgment, dated 22.04.2013 declared that the Constitution (Ninety-Seventh Amendment) Act, 2011 inserting Part IXB containing Articles 243ZH to 243ZT is ultra vires the Constitution of India for not taking recourse to Article 368(2) of the Constitution providing for ratification by the

majority of the State Legislatures. This order, however, will not affect other parts of the Constitution (Ninety - Seventh Amendment) Act, 2011. However, in Special Leave Petition, Supreme Court of India, vide its majority judgment, dated 20.07.2021 held that Part IXB of the Constitution of India is operative only in so far as it concerns Multi-State Co-operative Societies.

2.2 Structure of Cooperative Sector in India

The cooperative system in India can be broadly classified into two types viz., credit and non-credit cooperatives. The credit cooperatives ensure credit at affordable interest rates for agriculture, consumption and marketing in rural area, the consumer cooperatives meet the farmers' consumption demand at concessional rates and marketing societies ensure remunerative prices for the products by eliminating the middlemen in the transaction of goods and services. Cooperative societies also handle activities pertaining to agriculture and small industry marketing, processing, distribution and supplies.

Table 2.1: Framework of the Cooperative Sector

Concerned Authority	Description/ Area	PACS	Dairy	Fisheries	Others
State RCS	Total Societies (8.5 Lakh)	95,509	1,99,182	25,297	5,30,000
	Total members	13 Crore	1.5 Crore	38 Lakh	~14 Crore
	Panchayat / Village level	PACS	Primary Milk Cooperative Societies	Primary Fisheries Cooperative Societies	Primary Societies
	District /Taluka/Block level	District Cooperative Bank (351)	District Milk Union (231)	District Fisheries Union (128)	District Level Union
	State level	State Cooperative Bank (34)	State Milk Union (21)	State Fisheries Union (23)	State Level Union
Central RCS	National level (1522)	NAFSCOB	NCDFI	FISHCOPFED	Schedule II Societies (18)

Source: Indian Cooperative Movement-A Statistical Profile, 2018, NCUI & CRCS Office, M/o Cooperation

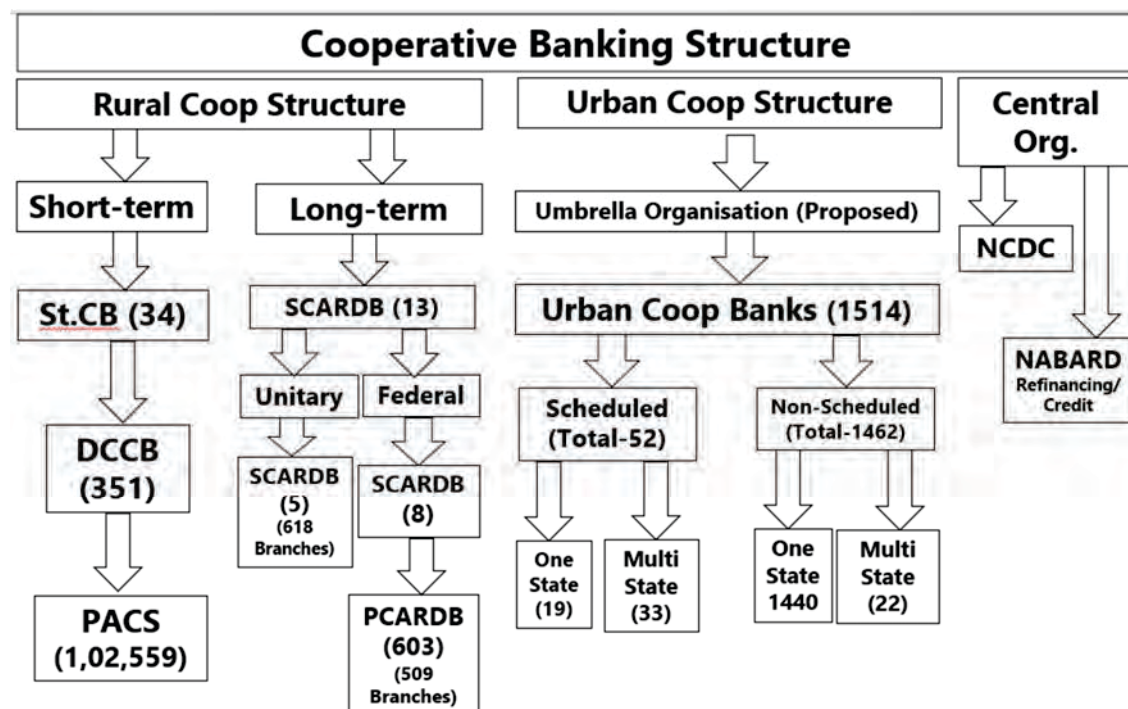
2.2.1 Credit Cooperatives

The credit cooperatives have a three-tier structure for distribution of rural credit with Primary Agricultural Credit Societies (PACS) at the village level, District Central Cooperative Banks (DCCB) at the district level and State Cooperative Banks (StCB) at the State level. The urban areas are served by urban credit cooperatives and Urban Cooperative banks (UCB).

Cooperative banks/Credit Societies ensure last mile credit delivery and promote financial inclusion. As per National Cooperative Union of India (NCUI) statistical profile (2018) there are about 1.77 Lakh Credit Cooperative Societies in India, which include PACS, PCARDBS, UCBs, Employee thrift and other Credit Cooperatives, DCCBs, StCBs & SCARDBs.

In the recent period, however, this sector has faced challenges emanating from lack of parity with other forms of economic entities, dual regulation of the Reserve Bank and governments, rising incidence of frauds etc. Further, legal impediments tend to hinder expeditious resolution of many disputes.

The cooperative banking structure in India was developed to complement and supplement the commercial banking structure, with a specific focus on serving the requirements of marginalised borrowers and meeting the development needs of rural as well as urban areas. Rural co-operatives are segregated by activity, i.e., into short term vis-à-vis long-term lending.



Notes: 1. StCBs: State Co-operative Banks; DCCBs: District Central Co-operative Banks; PACS: Primary Agricultural Credit Societies; SCARDBs: State Co-operative Agriculture and Rural Development Banks; PCARDBs: Primary Co-operative Agriculture and Rural Development Banks.

2. Figures in parentheses indicate the number of institutions at end-March 2022 for UCBs and at end-March 2021 for rural co-operatives.

Urban Cooperative Banks (UCBs) are classified as scheduled and non-scheduled, based on their inclusion or otherwise in the second schedule of the Reserve Bank of India Act, 1934, and their geographical outreach (single-state or multi-state). At end-March 2022, the cooperative banking sector consisted of 1,514 UCBs and 1,03,560 rural co-operatives. The total volume of cooperative credit is about 13 lakh crore rupees.

Further, Central Government Organisations like National Cooperative Development Corporation (NCDC), National Bank for Agriculture and Rural Development (NABARD) also play a major role in the flow of Cooperative Credit. Ministry of Cooperation is working in close coordination with National Federations, Department of Financial Services, Ministry of Finance and Reserve Bank of India for resolution of difficulties being faced by Cooperative Banks.

2.2.2 Non-credit Cooperatives

The non-credit sector includes cooperative societies engaged in agriculture, fishery, horticulture, dairy, housing, tribal, labour, weaver, consumer, industrial, marketing, processing, health, transport, basic services, tourism etc.



NCUI officials providing counselling to members of Women (SHG) Cooperative in Uttar Pradesh

2.3 Significance of Cooperatives in Indian Economy

There are 8.54 Lakh registered cooperatives (NCUI, 2018) in the country having more than 29 Crore members especially from the rural areas engaged in the activities related to agriculture and allied sector. The Cooperative sector has always played a significant role in the overall economic development of the country with its member driven and all-inclusive approach. It has the required capability to ensure equitable and concerted efforts towards enhancing the flow of timely, adequate and door-step

commodity and service supports to various critical infrastructure such as agriculture and industrial input services, irrigation, marketing, processing and community storage, etc., and also for other activities such as poultry, fisheries, horticulture, dairy, textiles, consumer, housing, health to name a few. The cooperative model can bring economically weaker sections of our society to the forefront of economic growth and can create widespread financial prosperity.



Hon'ble Minister of Home & Cooperation inaugurated Assembly Hall at AMUL Complex, Anand

As per the “*World Cooperative Monitor*,” some of the agriculture and dairy cooperatives in India have emerged as the best performing cooperatives globally. There are established cooperative models like IFFCO, Anand pattern dairy model, women centric Lijjat Gruha Udyog model, Mulukanoor women dairy cooperative, SEWA group, and various other cooperative societies and federations. Many innovative cooperatives like solar and bio-gas cooperatives have also emerged.

Table 2.3: PERCENTAGE SHARE OF COOPERATIVES IN NATIONAL ECONOMY

Cooperative Sector	Percentage (%)
Total Agricultural Credit Disbursed by Cooperatives (2016-2017)	13.40
Short Term Agricultural Credit Disbursed by Cooperatives to Small and Marginal Farmers	19.13
Kisan Credit Cards Issued by Cooperatives Banks + Regional Rural Bank (as at end- March 2017)	67.30
Kisan Credit Cards Issued by Cooperatives (as at end - March, 2017)	50.20
Fertiliser Distributed (Million Tonnes 2016-2017) Estimated	35.00
Fertiliser Production Capacity (5.35 Million Tonnes for the year 2016-2017)	24.92
Fertiliser Production (51.62 Million Tonnes for the year 2016-17)	28.80
Capacity of Fertiliser Products (10.77 Million Tonnes for the year 2016-2017)	20.32
Installed Capacity of Fertiliser Manufacturing Units (3.638 Million Tonnes, N Nutrient, As on 31.03.2017)	25.60
Installed Capacity of Fertiliser Manufacturing Units (1.713 Million Tonnes, P Nutrient, As on 31.03.2017)	23.53
Installed Number of Sugar Factories (284 as on 31.3.2017)	38.63
Sugar Produced (5.654 Million Tonnes as on 31.3.2017)	30.60
Capacity Utilisation of Sugar Mills (As on 31.3.2017)	46.14
Liquid Milk Marketed out of total Milk Procured by Cooperatives	84.17
Milk procurement to total production (2016-17)	9.50
Milk procurement to marketable surplus (2016-17)	17.50
PACS having Storage facility (at village level) (2016-17)	55.50
Total Storage Capacity of Cooperative Sector (2016-17) 22.77 Million MT	14.79
Fishermen in Cooperatives (active)	20.05
Wheat Procurement (4.4 Million Tonnes during 2017-18)	13.30
Paddy Procurement (7.5 Million Tonnes during 2016-17)	20.40
Retail Fair Price Shops (Rural + Urban)	20.30
Spindleage in Cooperatives (3.56 Million - As on 31.3.2018)	29.34
Direct Employment Generated by Cooperatives	13.30
Self-employment Generated for persons	10.91

Source: Indian Cooperative Movement-A Statistical Profile, 2018, NCUI

CHAPTER-3

STRENGTHENING OF COOPERATIVES: STRATEGY AND INITIATIVES

"Corporates and industries may bring development in the country, but cooperative is the only model that can help in the equitable distribution of profit to 80 crore economically backward people in the country. We have seen this happen; cooperative movements such as Lijjat and Amul are examples of this"

Amit Shah

Presently, the Cooperative movement in the country has a skewed distribution as there exist regional/state level imbalances in the cooperative spread and outreach. Many States are yet to devise their own Cooperative Policy. Some States have more than one Cooperative Acts. The scope, coverage and enforcement provisos of such multiple Acts need to be taken into consideration to understand and evolve a regulatory landscape which facilitates and strengthens the cooperative movement in the country.



Hon'ble Minister of Home & Cooperation addressing cooperators on celebration of 100th International Day of Cooperatives in Delhi

3.1 Strengthening PACS

The need was felt to review the roles and responsibilities of the cooperative units – the Primary Agriculture Credit Societies (PACS) at the village level so as to

strengthen the procurement, storage and warehousing, processing, logistic management etc. It was also felt to recast the supply chain and value chain system through a workable framework for better functioning of these community-led member-driven business units with a view to strengthening agriculture and agri-business management. The framework so devised should take into consideration the symbiotic relationships amongst farmers, farmer members and procurement agencies like Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), food processing industries, wholesale traders, warehouse owners, virtual and physical retailers. If Cooperatives are strengthened right at the grass-root level, these can help revolutionize the whole agri-supply chain from production to procurement, storage and warehousing, processing, marketing and distribution of such commodities, thereby benefiting both the producers and consumers.

Measures Taken: Several measures have been taken by the Ministry to strengthen PACS at the grassroot level such as:

3.1.1 Computerization of Primary Agricultural Credit Societies (PACS)

In order to digitize the Primary Agricultural Credit Societies (PACS), Government of India has approved Computerization of PACS scheme on 29th June 2022 to computerize 63,000 functional PACS across States with total budget outlay of Rs. 2516 Cr. This project entails to bring all the functional PACS on an ERP (Enterprise Resource Planning) based common software platform, linking them with NABARD through State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs).

Computerization of PACS will provide various benefits such as increasing the efficiency of their operations, ensuring speedy disbursal of loans, lowering of transaction costs, reducing imbalances in payments, seamless accounting with DCCBs and StCBs and increasing transparency. It will also enhance trustworthiness in the working of PACS among farmers. Implementation of Common Accounting System (CAS) and Management Information System (MIS) would bring uniformity in conduct of business and lead to standardization of processes, thus enabling PACS to carry out their operations online and obtain refinance/ loans for their various activities from NABARD through DCCBs and StCBs.

3.1.2 Model Byelaws for Primary Agricultural Credit Societies (PACS)

There are more than one lakh Primary Agricultural Credit Societies (PACS) in the country, constituting the lowest tier of the Short-Term Cooperative Credit (STCC) structure, which plays a crucial role in the development of rural economy. PACS provide short-term and medium-term credit and other services to member farmers, such as fertilizers/ seeds/ pesticides distribution, storage facilities, etc.

Presently, PACS are regulated by respective State Cooperative Societies Acts having different provisions. Various factors are contributing to PACS becoming defunct/non-functional, such as organizational weaknesses, inefficient management, inadequate resources for lending, etc. Besides, income from short-term lending has been found to be insufficient to sustain PACS financially.

In order to address these issues, Ministry of Cooperation, under the able guidance of Hon'ble Home & Cooperation Minister, framed the Model Byelaws for PACS after detailed consultations with all the stakeholders including States/UTs, National Cooperative Federations, NABARD, State Cooperative Banks (StCBs), District Central Cooperative Banks (DCCBs), etc. The final Model Byelaws were circulated to all the States/UTs on 05.01.2023 for their adoption by PACS after suitable modifications as per their respective State Cooperative Acts.

The Model byelaws would enable PACS to undertake more than 25 business activities which, inter alia, include dairy, fishery, setting up of godowns, procurement of foodgrains, fertilizers, seeds, LPG/CNG/Petrol/Diesel distributorship, short-term & long-term credit, custom hiring centers, common service centers, Fair Price Shops (FPS), community irrigation, Business Correspondent activities, etc.

They will improve governance, transparency and accountability in the operations of PACS. Provisions have also been made to make the membership of PACS more inclusive and broad-based, giving adequate representation to women and Scheduled Castes/Scheduled Tribes.

The Model Byelaws will be dovetailed with the Centrally Sponsored Project for Computerization of PACS. Separate modules for all the business activities listed in the Model Byelaws will be included in the national software being developed for the PACS Computerization Project. They would provide an enabling framework for improved governance, viable business operations and efficient functioning of PACS, to

transform them into single window agencies for catering to varied needs of member farmers in rural areas.

3.1.3 PACS as Common Service Centers (CSC)

A Memorandum of Understanding (MoU) has been signed between Ministry of Cooperation, Ministry of Electronics and Information Technology, NABARD and CSC e-Governance Services India Limited on 2nd February, 2023 to enable PACS to deliver the services being provided by Common Service Centers (CSCs) to citizens across the country.

More than one lakh Primary Agricultural Credit Societies (PACS) spread across the length and breadth of the country, having a huge member base of more than 13 crore farmers. Given their deep reach amongst farmers in the country, they can serve as an effective medium to provide more than 300 e-services enlisted on the Digi Seva Portal under the CSC Scheme, to the citizens in their areas of operation, including banking, insurance, investor awareness, legal literacy, Aadhar enrolment/updation, e-commerce, services related to PAN Card, passport, IRCTC, bus/air tickets, health services, agricultural inputs, etc.



MoU signed among Ministry of Cooperation, Ministry of Electronics & Information Technology, NABARD and CSC e-Governance Services India Limited on 2nd February, 2023

It would not only ensure easy availability of CSC services to common citizens, especially in rural areas, but would also help in transforming PACS into nodal centers for providing various citizen-centric services at the local level itself. It would also lead

to diversification in their business activities, thus enhancing their revenue streams and helping them in becoming economically self-sustainable entities. In addition, the initiative would also generate employment opportunities in the rural areas of the country.

3.1.4 PACS under FPO Scheme of Department of Agriculture and Farmers Welfare

Primary Agricultural Credit Societies (PACS) are engaged in providing various services at the Panchayat/village level, viz. short-term credit to farmers; distribution of agricultural inputs like seeds, fertilizers, pesticides; assaying, sorting, grading and storage of agricultural produce; etc. To leverage their deep reach among farmers, it has been decided in consultation with Ministry of Agriculture & Farmers' Welfare, that existing PACS would also form Farmer Producer Organisations (FPOs), so that benefits under the FPO Scheme which aims at formation and promotion of 10,000 FPOs across the country, could be availed by the cooperative sector as well. It would not only improve the reach of various farmer-centric services, but would also help in realizing the vision of '*Sahkar-se-Samridhi*' by expanding the cooperative movement in the country.

3.1.5 World's Largest Food Grain Storage Plan in Cooperative sector

India is the third largest producer of food grains in the world with a total production of 3,107 lakh MT (2020-21). However, it has a storage capacity of only about 47% of total food grain production. Almost all the countries have storage capacity more than their total grain production, including USA (161%), Brazil (149%), Canada (148%), Russia (132%), Argentina (130%), France (129%), Ukraine (114%) and China (107%). Shortage of storage infrastructure leads to wastage of valuable food grains and distress sale of crops by farmers.

In order to address the acute shortage of food grain storage capacity in the country, Ministry of Cooperation, in consultation with stakeholders concerned, has prepared the plan to facilitate the 'World's Largest Grain Storage Plan' in cooperative sector through convergence of the existing schemes of Ministry of Agriculture and Farmers Welfare; Ministry of Consumer Affairs, Food and Public Distribution and Ministry of Food Processing Industries, by leveraging the 'whole-of-Government approach'. The same has also been announced in the Budget 2023-24.

Under the plan, various types of agricultural infrastructure including godowns, custom hiring centers, grain procurement centres, common processing units, Fair Price Shops, etc. would be created at the level of PACS. Availability of all these facilities at the local (PACS) level would provide farmers with more options to realize better prices for their produce.

Creation, modernization and upgradation of godowns and other infrastructure at PACS level through convergence of existing GOI Schemes, would prevent wastage of food and strengthen food security of the country. It would also help in transforming PACS into multipurpose societies, thus enabling them to cater to varied needs of the people at the local level itself. A pilot of the plan is under implementation in 12 identified PACS in 12 States.

3.1.6 Converging various GoI Schemes for Strengthening Cooperatives

The following schemes have been identified for convergence under the World's Largest Food Grain Storage Plan in cooperative sector:

(a) Ministry of Agriculture and Farmers Welfare:

- i. Agriculture Infrastructure Fund (AIF),
- ii. Agricultural Marketing Infrastructure Scheme (AMI),
- iii. Mission for Integrated Development of Horticulture (MIDH),
- iv. Sub-Mission on Agricultural Mechanization (SMAM)

(b) Ministry of Food Processing Industries:

- i. Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME),
- ii. Pradhan Mantri Kisan Sampada Yojana (PMKSY)

(c) Ministry of Consumer Affairs, Food and Public Distribution:

- i. Allocation of food grains under the National Food Security Act,
- ii. Procurement operations at Minimum Support Price

The following schemes have been identified for convergence under the strengthening cooperative movement in the country and deepening its reach up to the grassroots plan:

a) Department of Animal Husbandry and Dairying:

- i. National Programme for Dairy Development (NPDD)
 - ii. Dairy Processing & Infrastructure Development Fund (DIDF)
- b) Department of Fisheries:
 - i. Pradhan Mantri Matsya Sampada Yojana (PMMSY), and
 - ii. Fisheries and Aquaculture Infrastructure Development (FIDF)

3.2 Deepening Cooperative Movement in India

3.2.1 New National Cooperation Policy

To fulfil the mandate of the newly created Ministry of Cooperation, which inter alia, includes realising the vision of '*Sahakar se Samridhi*', strengthening the cooperative movement in the country and deepening its reach up to the grassroots, promoting cooperative based economic development model, the need of formulating New National Cooperation Policy has been felt as the present policy is more than two decades old.

In this regard, wide consultations were held with stakeholders including the Central Ministries/ Departments, States/UTs, 20 National Cooperative Federations, 120 Institutions / organizations, including RBI and NABARD and general public through Ministry website and Mygov portal. In response, 482 suggestions were received on Mygov portal and 68 suggestions were received on the website of Ministry of Cooperation.

In addition, a two-day National Conference, inaugurated by the Hon'ble Home and Cooperation Minister, was organized by the Ministry of Cooperation on 12th and 13th April, 2022 with Cooperation Secretaries / RCSs from all the States / UTs wherein discussions were, inter alia, held on various aspects of the proposed policy framework; identification of regulatory, policy & operational barriers; ease of doing business; Governance reforms ; promoting new and social cooperatives; revitalizing defunct ones; making cooperatives vibrant economic entities; cooperation among cooperatives and increasing membership of cooperatives. Furthermore, the Ministry of Cooperation organized a two-day National Conference of State Cooperation Ministers of all States / UTs on 8th and 9th September, 2022. The National Conference, inaugurated and chaired by the Hon'ble Minister of Home and

Cooperation, inter-alia, discussed various aspects and contours of an effective, all-inclusive and progressive National Cooperation Policy framework.



National Conference on New Cooperation Policy during 12th -13th April, 2022, in Delhi

With a view to analyse various issues, policy suggestions and feedback & recommendations, a National level committee has been constituted on 2nd September 2022 under the chairmanship of Shri Suresh Prabhakar Prabhu, consisting of experts of the cooperative sector, representatives from National/ State/ District/ Primary level cooperative societies, Secretaries (Cooperation) and RCSs from States/UTs, officers from Central Ministries/ Departments to formulate the New National Cooperation Policy, providing a framework to unlock the true potential of the Cooperation sector. Till March, 2023, the Committee has met seven times to deliberate on relevant aspects with stakeholders.

3.2.2 Setting up multipurpose PACS or primary Dairy/Fishery Cooperative Societies in Each Panchayat

Cooperative movement is the backbone of rural economy and about 29 crore people in the country are directly linked with cooperative sector. Cooperative societies, particularly, in agriculture, dairy and fisheries sectors provide rural population not just

with livelihood opportunities but also provide financial safety net with a community-based approach.

There are more than one lakh PACS having more than 13 crore farmers as members; around 1,38,000 primary dairy cooperative societies and around 25,000 primary fishery cooperative societies. However, their spread across the country is skewed, with around 1.6 lakh Panchayats without any PACS and around 2 lakh Panchayats without any primary dairy cooperatives.

In view of the important role played by these primary cooperative societies in sustaining the rural economy of the country, Ministry of Cooperation, under the visionary leadership of Hon'ble Home & Cooperation Minister Shri Amit Shah, has prepared a plan to establish viable multipurpose PACS or primary dairy/ fishery cooperative societies in each uncovered Panchayat/ village, as the case may be, and strengthen the existing PACS/ dairy/ fishery cooperative societies with the support of NABARD, National Dairy Development Board (NDDB) and National Fisheries Development Board (NFDB) through convergence of various schemes of Ministry of Fisheries, Animal Husbandry & Dairying. Initially, the target is to establish two lakh such societies in the next five years.

In order to ensure smooth implementation of the plan, a high level Inter-Ministerial Committee (IMC) under the chairmanship of Hon'ble Home & Cooperation Minister with Hon'ble Minister for Agriculture & Farmers Welfare, Hon'ble Minister for Fisheries, Animal Husbandry and Dairying; Secretaries concerned; Chairman NABARD, NDDB; MD NCDC and Chief Executive NFDB, as members has been constituted to take necessary steps, including suitable modifications in the guidelines of the schemes identified for convergence. Further, National, State and District level committees have also been constituted to ensure effective execution of the plan at the grassroots.

Under the plan, PACS/ dairy/ fishery cooperative societies would be linked with their respective District and State level Federations. By leveraging the 'whole-of-Government' approach, these primary level cooperative societies will be able to set up and modernize necessary infrastructure for diversifying their business activities, like setting up milk testing laboratories, bulk milk coolers, milk processing units,

manufacturing units for value added products, construction of biofloc ponds, fish kiosks, development of hatcheries, acquiring deep sea fishing vessels, etc.

This would provide the farmer members with requisite forward and backward linkages to market their produce, expand the size of their markets, enhance their incomes, obtain credit facilities and other services at the village level itself, and would weave them seamlessly into the supply chain, thus leading to balanced regional growth. Establishing new viable multipurpose PACS or primary dairy/ fishery cooperatives, as the case may be, would also create employment opportunities in rural areas, leading to multiplier effects in the rural economy.

3.2.3 Creation of New National Cooperative Societies:

National Cooperative Societies, which are included in the second schedule of MSCS Act, 2002. Before the formation of the Ministry of Cooperation, last such National Cooperative Society under schedule II of the MSCS Act was formed in 1987 when Tribal Cooperative Marketing Development Federation of India (TRIFED) was formed with the approval of Union Cabinet. The National Cooperative Societies have the responsibility of providing specialized training, education, undertake research and develop market information system, logo brand promotion, quality control and technology upgradation besides evolving code of conduct, viability norms for its members and ensuring the compliance of cooperatives principles by them. They can also undertake business services on behalf of its members as per provisions of the Act. After a gap of 36 years since the formation of TRIFED in 1987, three new National Cooperative Societies have been formed under the MSCS Act, 2002.

3.2.3.1 National Cooperative Exports Limited

Three National Cooperatives, i.e. IFFCO, KRIBHCO, NAFED; one state level cooperative society, i.e Gujarat Cooperative Milk Marketing Federation (AMUL), and statutory body i.e. NCDC joined hands to promote this society with total paid up capital of Rs. 500 Cr wherein each promoter contributed Rs. 100 Cr. The total authorized capital of the society is Rs. 2500 Cr. Gujarat Cooperative Milk Marketing Federation (AMUL) is the Chief Promoter. The cooperative societies right from PACS upto the APEX level, i.e. primary to national level cooperative societies including Primary Societies, District, State and National level Federations interested in exports are eligible to become its member. The society has registered itself with Central Registrar Cooperative societies (CRCS) on 25.01.2023 under the MSCS Act, 2002.

This National level multi state Cooperative society will focus on exporting the surpluses available in the Indian Cooperative sector by accessing wider markets beyond the geographical contours of the country thereby increasing the demand of Indian Cooperative products/services across the globe, fetch best possible prices for National surpluses of such products/services and in turn increase employment opportunities for Indian youth. This National level society will also help Cooperatives in getting benefits of various export related schemes and policies of different ministries viz. Ministry of Cooperation, Department of Commerce and Ministry of External Affairs of Government of India in a focussed manner through 'Whole of Government Approach'. It will promote exports through various activities including procurement, storage, processing, marketing, branding, labelling, packaging, certification, research and development, etc. and trading of all types of goods and services produced by Cooperative societies. The society will also help in arranging finance, training and capacity building, provide technical guidance, develop and maintain market intelligence system, implement related government schemes and undertake any other such activities which will increase exports from the Cooperative sector and other related entities. The National Cooperative Exports Limited has been accorded the National status vide Gazette of India Notification dated 21.03.2023.

3.2.3.2 Bharatiya Beej Sahakari Samiti Limited

Three leading National level Cooperatives, i.e. IFFCO, KRIBHCO, NAFED; along with two statutory bodies, i.e. NDDB and NCDC joined hands to promote this society with total paid up capital of Rs. 250 Cr wherein each promoter contributed Rs. 50 Cr. The total authorized capital of the society is Rs. 500 Cr. KRIBHCO is the Chief Promoter. The cooperative societies right from Primary upto the Apex level, i.e. primary, district, state and national societies will be eligible to become its member. The society has registered itself with Central Registrar Cooperative societies on 25.01.2023 under the MSCS Act, 2002.

The seed society will function in coordination with Ministry of Cooperation, Ministry of Agriculture and Farmers Welfare and its agencies specially ICAR and NSC and other sectoral Ministries through their policies, schemes, agencies following 'Whole of Government Approach' and Indian and foreign organizations/ enterprises engaged in seed research and development, all levels of cooperatives in the country and any other agency which may be required for successful realization of the objectives of the society. The seed cooperative society will function through Primary

Agricultural Credit Societies (PACS), Multi State Cooperative Societies (MSCS) and federations at district, state and National level by involving all forms of Cooperative structures and all other means to increase the Statutory Reserve Requirement (SRR), Varietal Replacement Rate (VRR), by ensuring the role of farmers in quality seed cultivation and seed varietal trials, production and distribution of certified seeds with a brand name. The society will focus on production, testing, certification, procurement, processing, storage, branding, labelling and packaging of all three generations of seeds i.e. breeder, foundation and certified, through PACS by leveraging various schemes and policies of different ministries of Government of India. This cooperative society will help in increasing the production of quality seeds in India through cooperatives thereby reducing the dependence on imported seeds, enhancing agriculture production and provide boost to rural economy, promoting “Make in India” and leading to *Aatmanirbhar Bharat*. This will also help in achieving the goal of “*Sahakar-se-Samriddhi*” through the inclusive growth model of Cooperatives, where the members would benefit both by realization of better prices through production of quality seeds, higher production of crops by use of High Yielding Variety (HYV) seeds and also by dividend distributed out of the surplus generated by the society. The Bharatiya Beej Sahakari Samiti Limited has been accorded the National status vide Gazette of India Notification dated 21.03.2023.

3.2.3.3 National Cooperative Organics Limited

Three leading cooperatives, i.e. GCMF (AMUL), NAFED, NCCF and two National level organizations, i.e. NDDB and NCDC joined hands to promote this society with total paid up capital of Rs. 100 Cr wherein each promoter contributes Rs. 20 Cr. The total authorized capital of the society is Rs. 500 Cr. National Dairy Development Board (NDDB) is the Chief Promoter. The cooperative societies right from PACS upto the APEX level, i.e. primary, district, state and national level societies are eligible to become its member. The society has been registered on 25.01.2023 under the MSCS Act, 2002.

The cooperative society will provide institutional support for aggregation, certification, testing, procurement, storage, processing, branding, labelling, packaging, logistic facilities, marketing of organic products and facilitate in arranging financial assistance to the organic farmers through its member Cooperatives including PAC/FPOs and will take up all promotion and development related activities of organic products with the help of various schemes and agencies of the Government. It will

empanel accredited organic testing labs and certification bodies who meet the criteria specified by the society to bring down the cost of testing and certification. It will manage entire supply chain of organic products produced by Cooperatives and related entities through member Cooperatives. It will adopt various business models by utilizing brand and marketing network of AMUL and other agencies on chargeable basis and will develop the same simultaneously on its own. It will facilitate in providing technical guidance, training and capacity building to organic producers and develop & maintain dedicated market intelligence system of Indian organic market. While promoting organic farming, balanced approach will be maintained between regular mass farming and organic farming. Branding and marketing of authentic and certified organic products through this proposed umbrella organization will increase demand and production of organic products by the Cooperatives at various levels thus leading to generation of more employment. Processing of organic goods to match international standards will also generate additional employment. The society will help in increasing domestic consumption and exports of organic products produced by the Cooperatives and related entities, thereby, promoting “*Make in India*” and leading to *Atmanirbhar Bharat*. The National Cooperative Organics Limited has been accorded the National status vide Gazette of India Notification dated 21.03.2023.

3.2.4 GeM onboarding of Cooperatives

On 1st June, 2022, Union Cabinet approved the proposal of allowing cooperative societies to be registered as buyers on the GeM Portal. As a part of phased implementation, all qualified cooperatives with turnover and deposits of Rs.100 crore would be able to place orders on the GeM Portal in the first phase. A total of 619 cooperatives have been selected as being eligible for onboarding on GeM and 526 cooperative societies have been registered as buyer on GeM Portal so far. National Cooperative Union of India (NCUI) has been designated as the nodal agency to facilitate the onboarding of cooperatives and coordination with GeM authorities. The GeM portal will be a beneficial platform for growth of the cooperative sector and perform a vital role in increasing transparency in procurements. Cooperatives are also being encouraged to register as supplier on GeM in order to increase their market access.



E-launch of onboarding of cooperatives on the GeM portal on 9th August, 2022

3.3 National Cooperative Database

India being home to almost 25% of total cooperative societies in the world and with history of cooperative movement in India dating back to more than a century, the need was felt to develop a comprehensive, authentic and updated cooperative database in the country about their activities, membership, financial details, etc. To fulfil its mandate and vision of '*Sahkar se Samriddhi*', Ministry of Cooperation initiated the process for developing a National Cooperative Database in consultation with State Governments, National Cooperative Federations, related institutions and other stakeholders at various levels (Primary to Apex).

3.3.1 Objective

The objective of developing National Database on Cooperatives is to provide a single point access to authentic and updated information on 8.5 lakh cooperatives of different sectors across the country. The National Cooperative Database would capture data on several parameters related to cooperatives i.e. location & no. of members, economic activities, their upward & backward linkages, level of operations, use of ICT, employment, inputs & output, financial & non-financial transactions, assets & liabilities, etc.

3.3.2 Benefit of Database

The proposed database will function as the main planning tool for Central Ministries, State Governments, Cooperative Federations, Cooperators and Sectoral Institutions like NABARD, etc. for cooperative sector. It would facilitate policy making, improve governance and transparency. It would also help the cooperative sector for its better positioning in the business environment. The database would also bring synergy among various database maintained by Central line Ministries and State Governments. The database would be integrated with other related databases at National and State levels. Provision has also been made for validation, maintenance, expansion and regular updation of the database.

3.3.3 Phases of National Cooperative Database

Keeping in view the diverse nature and size of cooperative sector, it was decided to prepare a comprehensive and authentic database in a phased manner.

Phase	Activities	Current Status	Completion Date/Target
Phase-I	Mapping of 2.64 lakh cooperative societies of three sectors i.e. PACS (100429), Dairy (138179) & Fisheries (24796). [#]	Completed	February, 2023
Phase-II (Vertical Linkage)	Extension of Database to National Cooperatives, StCB, DCCB, UCB, Sugar Coop, MSCS, State & District Federations/Unions, SCARDB, PCARDB.	Started in last week of March, 2023	June, 2023
Phase-III	Extension of Database to other sectors of cooperatives (5.8 lakh) covering all societies.	To be started in April, 2023	June, 2023

[#] Note: State-wise distribution of **PACS, Dairy & Fishery** cooperative societies is placed at **Annexure-IV**.

3.4 National Cooperative University

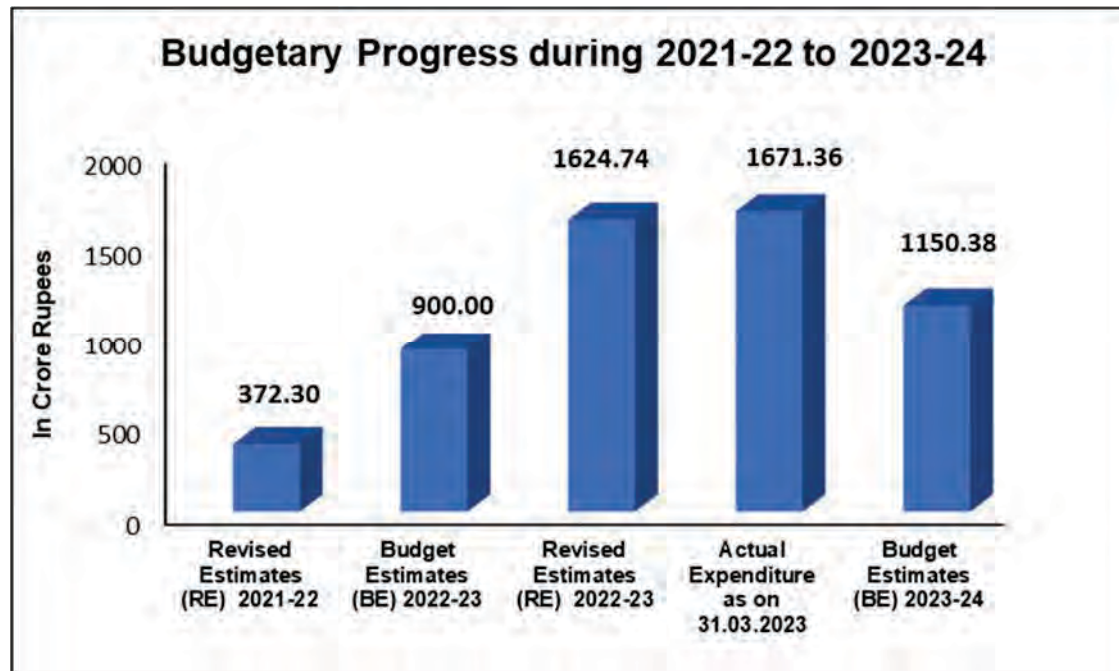
To strengthen the cooperative movement in the country through the promotion of a cooperative-based economic model and the creation of an appropriate institutional framework, the Ministry of Cooperation is in the process of establishing the world's largest university in the cooperative sector, namely, National Cooperative University,

through an Act of Parliament. The University would be a first of its kind, specialized university in the cooperative sector, to impart and promote cooperative education, training, research & development.

3.5 Budget & Schemes

3.5.1 Budget: Summary of Budget Provisions & Expenditure

Ministry of Cooperation was created on 6th July, 2021 from erstwhile Ministry of Agriculture, Cooperation & Farmers Welfare (MoAFW), Rs. 372.30 Crore out of Budget of MoAFW was, subsequently, demarcated for Ministry of Cooperation for year 2021-22. For the year 2022-23, Ministry of Cooperation was allocated Budget Estimates (BE) of Rs.900 Crore and the budgetary support was upwardly revised to Rs.1624.74 Crore at Revised Estimates (RE) Stage. The total budgetary allocation to the Ministry for 2022-23 was further increased to Rs.2041.82 Crore as per the Supplementary Demands for Grants of the Ministry. In a significant achievement, total actual expenditure of the Ministry for year 2022-23 is Rs. 1671.36 Crore, which is 185.71% of BE of 2022-23 and 102.87% of RE of 2022-23.



3.5.2 A Number of measures have been announced in the Union Budget 2023-24 to strengthen Cooperative sector

A. Initiatives

- Plan to set up Massive Decentralized Storage capacity so that farmers can store their produce and realize remunerative prices to sell at appropriate time.
- Govt will facilitate setting up of large number of Multipurpose PACS or Primary Fishery/Dairy cooperative societies in uncovered panchayats and villages in the next 5 years.
- Model Bye-laws for PACS are being formulated enabling them to become Multipurpose.
- National Cooperative Database is being prepared for country wide mapping of cooperative societies.
- Computerization of 63000 PACS has been initiated at the cost of Rs. 2516 crores.

B. Income Tax Benefits

- New cooperatives commencing manufacturing till 31st March 2024 will get the benefits of low tax rates at 15% (as is the case for new manufacturing companies) (Section 115 BAB of IT Act).
- Higher limit of Rs 2 lakh per member for cash deposit to and loans in cash by PACS and Primary Cooperative Agricultural and Rural Development Bank (PCARDBs). (Section 269 SS and 269 T of IT Act).
- Higher limit of Rs 3 Crore for TDS on Cash withdrawal has been provided to Cooperative Societies. (Section 194 N of IT Act).

C. Relief for Sugar Cooperative Mills

- For Sugar Cooperatives, the claims for payments made to sugar farmers prior to assessment year 2016-17 will be considered as 'Expenditure'. This will provide a relief of approximately Rs 10000 Crores to the Sugar Cooperatives.

3.5.3 Schemes:

3.5.3.1 Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC)

The Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) is being implemented through the National Cooperative Development Corporation (NCDC). The main objective of this component is to assist the cooperative societies through NCDC for modernization, expansion and diversification and to provide share capital and margin money etc. The following activities undertaken under this component: -

(i) Marketing, Processing, Storage, Computerization, Weaker Section Programmes of Cooperatives, Computerization of PACS, DCBs and SCBS and T&P Cell Scheme for Strengthening Management of State Cooperative Federations and Office of RCS (subsidy on tapering basis):

To provide financial assistance for improving the economic conditions of cooperatives, remove regional imbalances and to speed up cooperative development in agricultural marketing, processing, storage, computerization and weaker section programmes, the Government provides assistance to NCDC for financing the activities of agro- processing, marketing of foodgrains and input supply, plantation/ horticultural crops, development of weaker sections such as tribal cooperatives, dairy, poultry, livestock, fisheries, handloom, coir, jute, sericulture cooperatives etc. and computerization of cooperatives.

(ii) Assistance for cotton development including ginning & pressing and establishment of new or modernization, expansion, rehabilitation of existing cooperative spinning mills:

The basic objective of the scheme is to help cotton growers fetch remunerative price for their produce through value addition besides ensuring supply of quality yarn at reasonable rates to decentralized weavers. Under this component, financial assistance is being provided to cooperative spinning mills for share capital participation, modernization/expansion of existing mills, rehabilitation of sick cooperative spinning mills, margin money assistance to cooperative spinning mills and State Cotton Federations besides setting up of new and modernization of existing cotton ginning and pressing units.

(iii) Integrated Cooperative Development Projects in selected districts (ICDP):

The scheme aims to promote overall development of selected districts in the country through cooperative efforts in agriculture and allied sectors including fisheries, poultry, handloom and rural industries etc., strengthen the cooperative network, promote business development plans by forging an effective linkage with credit and other institutional structures in the area; develop PACS as multi-purpose entities and modernization of management of cooperatives.

‘During Financial Year 2022-23, ₹662.87 Cr. had been released to the implementing agency i.e. NCDC under CSISAC Scheme for liquidating its committed liabilities. Out of which NCDC had disbursed ₹371.65 Cr. to the eligible cooperative societies.

1.5.3.2 Centrally Sponsored Project on “Computerization of Primary Agricultural Credit Societies (PACS)”

In order to computerize Primary Agricultural Credit Societies (PACS), Government of India approved Computerization of PACS project on 29th June 2022 to computerize 63,000 functional PACS with total budget outlay of Rs. 2516 Cr., across the country. This project entails bringing all the functional PACS onto an ERP (Enterprise Resource Planning) based common software, linking them with NABARD through State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs). Proposals to computerize 54,752 PACS have been received from 24 States and 4 UTs. An amount of Rs. 350 Crores was allocated in Budget Estimates (BE) for the year 2022-23. As on 31.03.2023 an amount of Rs. 395.00 Crore has been released to 23 States and 2 UTs for procurement of hardware, digitization and support system. In addition, Rs. 100 crore has been released to NABARD for meeting the expenses related to establishment of National Level Data Repository, software development, training and setting up of Project Management Unit (PMU). To complete the abovementioned processes and to onboard 54,752 PACS on National level software, BE of Rs. 968.24 for 2023-24 has been proposed.

CHAPTER-4

ATTACHED AND SUBORDINATE ORGANISATIONS

"Manpower without Unity is not a strength unless it is harmonized and united properly, then it becomes a spiritual power"

Sardar Vallabhbhai Patel

4.1 Central Registrar of Cooperative Societies (CRCS)

The Office of Central Registrar of Cooperative Societies (CRCS) deals with incorporation, regulation and winding up of co-operative societies, with objects not confined to one State, to facilitate the voluntary formation and democratic functioning of co-operatives as people's institutions based on self-help and mutual aid and to enable them to promote their economic and social betterment and to provide functional autonomy, as per cooperative principles and legislative framework enshrined under Multi State Cooperative Societies (MSCS) Act, 2002. The CRCS is appointed under Article 243ZH(f) of the Constitution read with section 4 of the MSCS Act, 2002.

4.1.1 Functions of CRCS Office

All Multi State Cooperative Societies (MSCS) fall under the purview of the MSCS Act, 2002. The Central Registrar, acts as the head of the administration of the office of the CRCS. At present there are two major wings of the CRCS, viz., the Registration and the Management. The Registration wing looks after Registration of Societies and Amendments of byelaws as per the MSCS Act, 2002. The work domain of Management wing covers diverse array of activities including election, inspection & audit, annual returns & other issues of the MSCS, etc. The following functions related to implementation of MSCS Act, 2002 are performed by the office of the CRCS:

1. Registration of MSCS
2. Amendment to bye-laws of MSCS
3. Registration of Cooperative Societies as MSCS by conversion
4. Issues relating to management and working of the Multi-State Cooperatives including national level cooperative organizations, their implementation and follow up
5. Examination of proposals regarding cooperative legislations.
6. Work related to amendment of MSCS Act/Rules

8. Redressal of complaints / grievances received from MSCSs and their members
9. Appointment of Arbitrators & Returning Officers in the MSCSs.
10. Conduct of inquiry & inspection of MSCSs and winding up of Societies as per Act.

4.1.2 The MSCS Act 2002 and its Administration

The MSCS Act, 2002 was enacted after repealing the Multi State Cooperative Act, 1984, to facilitate democratic functioning and autonomous working of Multi State Cooperative Societies in line with the established Cooperative Principles.

The Cooperative Legislation in the country commenced with the enactment of the Co-operative Credit Societies Act, 1904 to facilitate formation of primary cooperative credit societies. It was followed by the Co-operative Societies Act, 1912 which provided for formation of non-credit and federal cooperative societies. Thereafter, the Multi-Unit Cooperative Societies Act, 1942 was enacted to facilitate organization of cooperative societies with jurisdiction in more than one State. With the emergence of national level Co-operative Societies, which were being governed by Co-operative Societies Acts of different states, the Parliament, under Entry 44 of the List I – Union List of the Seventh Schedule to the Constitution, enacted the Multi State Cooperative Societies Act, 1984.

The Multi State Cooperative Societies Act, 2002 was enacted after repealing the Multi State Cooperative Act, 1984, to facilitate democratic functioning and autonomous working of Multi State Cooperative Societies in line with the established Cooperative Principles. The state-wise and sector-wise details of Multi State Cooperative Societies along with data on registration and amendment applications are at ***Annexure-III***.

4.1.3 Multi State Cooperative Societies (Amendment) Bill, 2022

As per article 243 ZT of Constitution, the provisions of the Multi State Cooperative Societies Act, 2002 that are not consistent with the provisions of Part IXB of the Constitution shall continue to be in force until amended or repealed or expiration of one year from the commencement of the Constitution (Ninety-Seventh)

(Amendment) Act, 2011, whichever is less. In view of this, it is imperative to carry out amendments in the Multi State Cooperative Societies Act, 2002.

The Multi State Cooperative Societies (Amendment) Bill, 2022 was introduced in the Lok Sabha on 07.12.2022 to amend the Multi State Cooperative Societies Act, 2002 with a view to bring the present Act in line with Part IXB of the Constitution and to strengthen the cooperative movement amongst the multi state cooperative sector in the country by bringing in provisions relating to electoral reforms, strengthening governance and transparency, reforming the composition, meetings and membership of board; enabling raising of funds by co-operative sector, strengthening monitoring mechanism, enhancing ease of doing business, etc. The Bill was referred to a Joint Committee of the Parliament on 20th December, 2022 for examination and report. The Joint Committee of the Parliament placed its report in the Parliament on 15th March, 2023. The Bill as reported by Joint Committee of the Parliament will be taken up for consideration in Lok Sabha as per due Parliamentary procedures.

4.1.4 Computerisation of CRCS Office

Presently, the process of registration and other processes under MSCS Act / Rules is done through offline mode. Under the E – Governance initiatives for the office of CRCS, it is proposed to develop online interactive portal as well as Mobile App. This initiative is aimed to digitise and make the office of CRCS paperless; to make the management of MSCSs easier; and to enhance transparency & efficiency in the working of the CRCS office.

The Office of CRCS, has initiated project for design, development, and maintenance of the CRCS Office Portal. Implementing Agency has been selected through NICS, from its empanelled agencies for Implementation of the project. In the initial phase of the project, Registration, Amendments, Annual Return Filing, Appeals, Member MSCS login & information and MIS reports Modules are being taken up. The development of rest of the modules of CRCS functioning shall be taken subsequently, based on stakeholders' feedback.

4.1.5 Strengthening CRCS Office Administration

The Office of Central Registrar of Cooperative Societies (CRCS), in the erstwhile Ministry of Agriculture & Farmers' Welfare was headed by Additional /Joint Secretary as CRCS. Prior to the creation of the Ministry of Cooperation, CRCS, in the discharge of responsibilities for regulation and administration of MSCS Act, 2002 was supported by a small cadre of technical officials and officers specialised in the field of cooperative sector. After creation of the Ministry of Cooperation in July, 2021, 64 new technical and administrative posts were approved for the Office of CRCS. Recruitment rules have been framed to fill the approved vacant technical posts (32) and sent to UPSC after approval of DoPT. In view of the urgency, approval has been obtained from UPSC to fill all technical posts (32) by deputation. Vacancy circular for filling of these posts on deputation has been issued.

4.1.6 New Office Building for CRCS Office

The space allotted in Atal Akshay Urja Bhavan to Central Registrar's Office was not sufficient for accommodating the additional sanctioned staff strength for carrying out futuristic roles & responsibilities. In the coming days, as more officers join against the sanctioned posts and the new proposed offices of Cooperative Election Authority (CEA) and Cooperative Ombudsman (CO) to be set up, more space will be required for the CRCS office.

Accordingly, it was decided to shift the Central Registrar's office to a different location. After exploring many options, the World Trade Center project, built by NBCC under the aegis of the Ministry of Housing and Urban Affairs, located at Naoroji Nagar, New Delhi, has been found suitable for the CRCS Office. After due appraisal and approvals, the requisite space in the World Trade Center for the CRCS Office is being purchased. Simultaneously, the process of making layout and interior and furnishing has been started by CPWD. The CRCS Office is proposed to be shifted to World Trade Centre, Nauroji Nagar by June 2023.

4.2 NATIONAL COOPERATIVE DEVELOPMENT CORPORATION (NCDC)

NCDC is a statutory organization established under an Act of Parliament on 14.03.1963, on the recommendation of the All-India Rural Credit Survey Committee

for spearheading development of rural economic activities through cooperatives. Its policies and programmes are prepared under the guidance of its General Council and Board of Management, which are constituted by the Government of India out of a cross section of cooperatives, officials and non-officials. Central Government vide its Gazette Notification no. 2516 dated 6th July, 2021 announced formation of new Ministry of Cooperation with a vision “from cooperation to prosperity” and brought NCDC under the administrative control of the new Ministry.



NCDC HQ Building exemplifies a spirit of cooperation

NCDC is a non-equity based promotional organization created exclusively for planning, promoting and financing of programmes for production, processing, marketing, storage, export and import of agricultural produce, foodstuff and certain notified commodities, on cooperative principles. The NCDC Act underwent change in 1974 to include financing of more business activities like fishery, poultry, dairy, handloom & sericulture and by the amendment, NCDC's resource base was broadened, thus enabling raising funds from the market. The Act was again amended in 2002 to cover financing for some more areas such as livestock, industrial goods, cottage and village industries, handicrafts, rural crafts and certain notified services like water conservation works, irrigation, animal health care, disease prevention, agriculture insurance and agriculture credit, rural sanitation and services pertaining to

labour cooperatives. The amendment also enables NCDC to finance cooperative societies directly under its various schemes, on fulfilment of certain stipulated conditions.

4.2.1 Management and Administrative set-up

The management of NCDC is vested in a General Council (GC) consisting of 51 members and a Board of Management (BoM) consisting of 12 members, who are nominated by the Central Government.

The GC lays down policy guidelines and the BoM oversees the general management of the Corporation.

4.2.2 NCDC Secretariat

The NCDC is headed by the Managing Director and functions through its Head Office and 18 Regional Offices located at Bengaluru, Bhopal, Bhubaneswar, Chandigarh, Dehradun, Chennai, Gandhinagar, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Patna, Pune, Raipur, Ranchi, Shimla and Thiruvananthapuram. NCDC's training academy, Laxmanrao Inamdar National Academy for Cooperative Research and Development (LINAC) is located in Gurugram, Haryana and has 18 Regional Training Centres (RTCs) in different states. To assist in fulfilling the role of an apex institution, the Corporation has built up in-house technical and managerial capabilities.

4.2.3 SCHEMES IMPLEMENTED / ACTIVITIES ASSISTED BY NCDC

A. Schemes implemented:

I. Erstwhile Central Sector Integrated Scheme on Agricultural Cooperation - Assistance to NCDC Programme for Development of Cooperatives -

- a) Assistance to Marketing, Processing, Storage, Consumer, Weaker Section Programmes of Cooperatives, Computerization of Primary Agricultural Cooperative Credit Societies, District Central Cooperative Banks, State Cooperative Banks and Technical & Promotional Cell Scheme for strengthening Management of State Cooperative Federations.

- b) Assistance for Ginning & Pressing Programme and Establishment of New and Modernization/ Expansion/ Rehabilitation of existing Cooperative Spinning Mills.
- c) Integrated Cooperative Development Projects (ICDP) in selected districts.

II NCDC Sponsored Schemes

- a) **Swayam Shakti Punji Sahakar Yojana:** Scheme for extension of NCDC's financial assistance to credit cooperatives for onward lending to women self-help groups (SHGs), with a view to increase the availability of funds to women SHGs and to supplement the resources of Credit Cooperatives for providing adequate and prompt loans/advances to women SHGs.
- b) **Krishak Deerghawadhi Punji Sahakar Yojana:** Scheme for extending NCDC's long Term Loan to Agricultural Credit Cooperatives viz. Primary Agricultural Credit Cooperatives (PACS), District Central Cooperative Banks (DCCBs), State Cooperative Banks (StCBs), Primary Cooperative Agriculture & Rural Development Banks (PCARDS) and State Cooperative Agriculture & Rural Development Banks (SCARDS), with a view to supplement the resources of agricultural credit co-operatives for onward lending of adequate long term loans/advances.
- c) **Yuva Sahakar - Cooperative Enterprise Support and Innovation Scheme:**
The scheme aims at encouraging newly formed cooperative societies with new and/ or innovative ideas. It is linked to a Cooperative Start-up and Innovation Fund created by NCDC to support and motivate the youth in agro-processing business in rural areas. As an incentive, NCDC charges 2% less than its applicable rate of interest on loans for project activities.
- d) **Ayushman Sahakar:** The Scheme has a comprehensive approach to cover hospitals, healthcare, medical education, nursing education, paramedical education, health insurance and holistic health systems such as AYUSH. As an incentive, NCDC charges 1% less than applicable rate of interest on term loan for the project initiatives for cooperative societies wherein women members are in majority.

- e) **Nandini Sahakar:** The scheme aims to improve socio-economic status of women and supports entrepreneurial dynamism of women through women cooperatives. It aims at converging critical inputs of women's enterprise, business plan formulation, capacity development, credit and subsidy and/ or interest subvention of other schemes. As an incentive, NCDC provides 2% interest subvention on its rate of interest on term loan portion for new and innovative activities and 1% interest subvention for all other activities.
- f) **Dairy Sahakar:** It is a cooperative dairy business focused framework of financial assistance for encouraging cooperatives to achieve higher outcomes in ESG (environmental, social, governance) linked activities. It includes creation of infrastructure by cooperatives for new projects and modernization and/or expansion of existing projects.
- g) **Digital Sahakar:** Aligned with the vision of Digital India, NCDC has conceived a focused financial assistance framework for Digitally Empowered Cooperatives for handholding and credit linkage by NCDC, dovetailed with grant, subsidy, incentives etc. from Government of India / State / UT / agencies with the objective of cooperatives actively involve in Digital India.

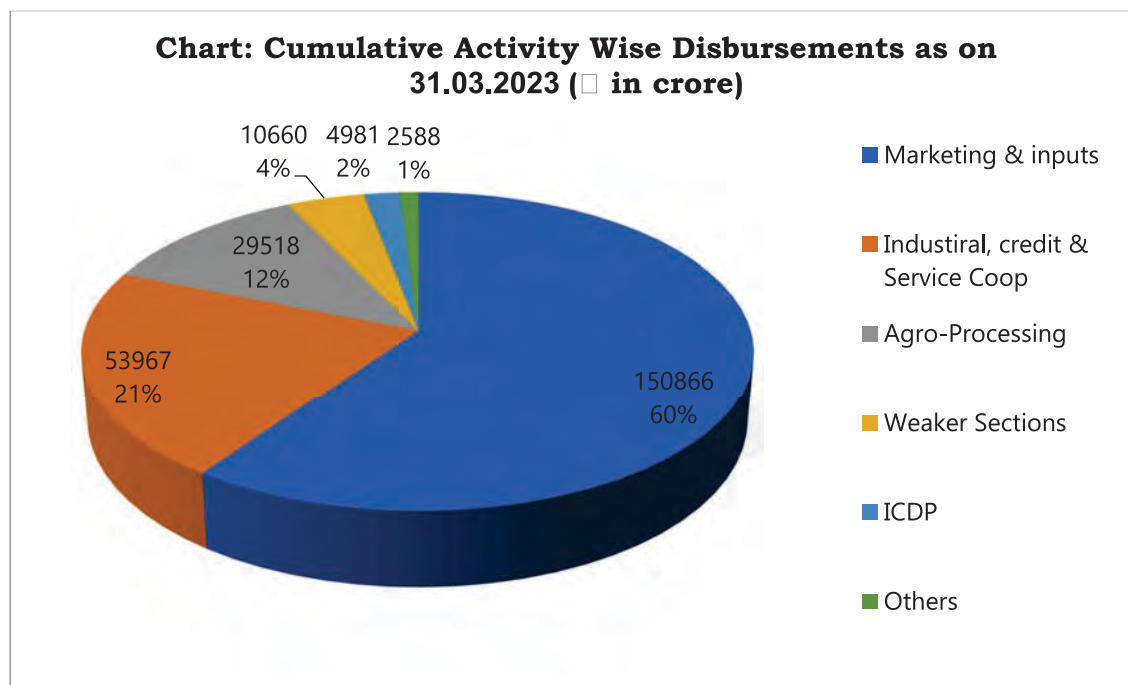
B. Activities Assisted:

NCDC provides financial assistance in the form of loans (both Term Loans and Investment Loans) to the cooperative societies for following activities –

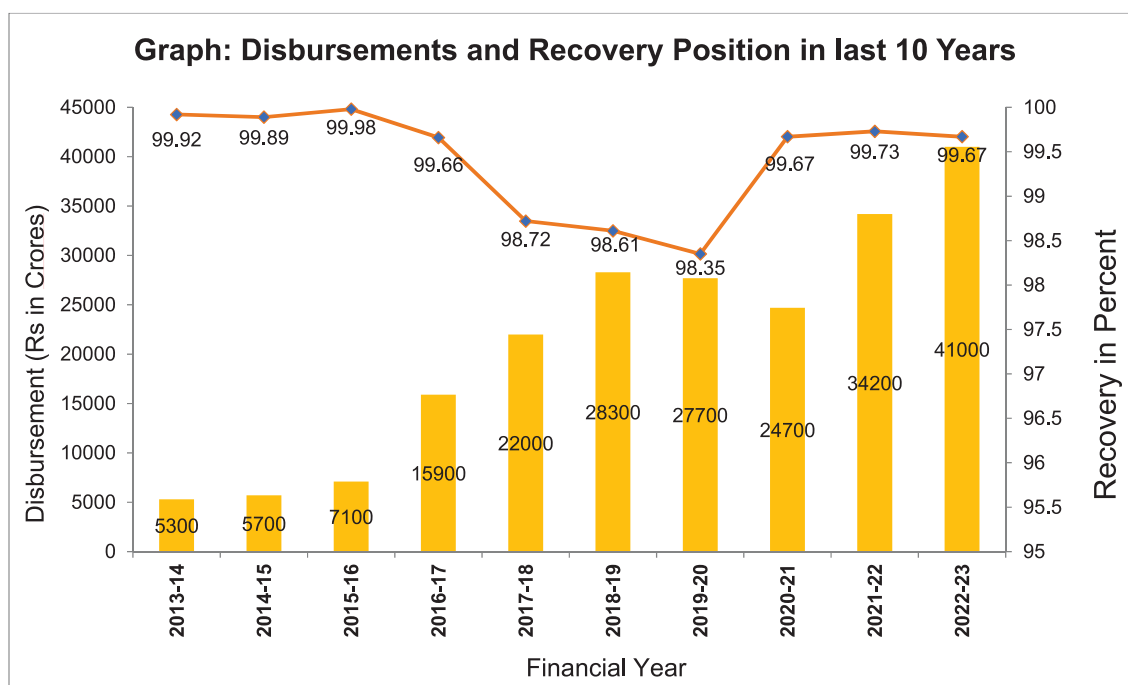
- a) Marketing,
- b) Processing,
- c) Storage,
- d) Cold Chain,
- e) Distribution of essential consumer articles through cooperatives,
- f) Industrial,
- g) Credit & Service Cooperatives/ Notified Services,
- h) Cooperative Banking Unit,
- i) Agricultural Services,
- j) Cooperatives for Weaker Sections,
- k) Assistance for Computerisation of Cooperatives,
- l) Promotional and Developmental programmes, etc.

Cumulative Disbursements and Growth Trajectory of NCDC

Cumulatively, NCDC has disbursed ₹2,52,580 crore since its inception in 1963 upto 31.03.2023 and Sector-wise disbursements are depicted below:



Disbursements have risen steadily from ₹5,300 crore in 2013-14 to ₹41000 crore in 2022-23. Year-wise recovery of these disbursements remain more than 98% during this period.



4.3 NATIONAL COUNCIL FOR COOPERATIVE TRAINING (NCCT)

National Council for Cooperative Training (NCCT) is an autonomous society registered under the Societies Registration Act, 1860 promoted by Ministry of Cooperation, Government of India. NCCT is responsible for organizing, directing, monitoring and evaluating the arrangements for cooperative training for the members, board members and employees working in the cooperative sector in the country. The Council has a training structure comprising VAMNICOM, Pune at National Level, Five Regional Institutes of Cooperative Management at Chandigarh, Bangalore, Kalyani, Gandhinagar, Patna and 14 Institutes of Cooperative Management located at Bhopal, Bhubaneswar, Chennai, Dehradun, Guwahati, Hyderabad, Imphal, Jaipur, Kannur, Lucknow, Madurai, Nagpur, Pune and Thiruvananthapuram.



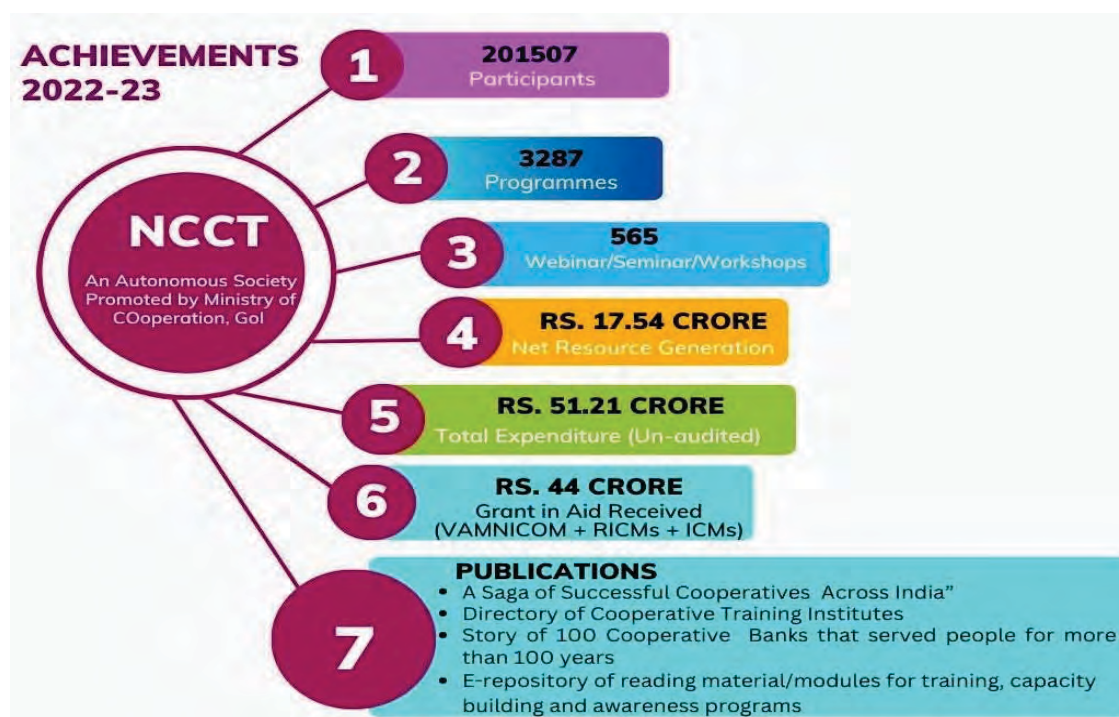
Review Meeting on the Training Activities of NCCT and its Institutes convened under the chairmanship of Shri B.L. Verma, Hon'ble Minister of State for Cooperation, Government of India on 6th June, 2022

NCCT is conducting all types of training, education and awareness programmes, which are beneficial to cooperative societies. Programmes for senior level executives are conducted through VAMNICOM and intermediate & junior level executives and programmes for members are conducted through 19 RICMs/ICMs. The main objective of NCCT is to organize need-based training programmes and facilitate the process of human resource development for cooperatives of the country. It also envisages research in critical areas of cooperative movement.



National Conference on Cooperative Development held during 10th -12th January, 2023 at LINAC (NCDC), Gurugram

Major Achievements of NCCT in 2022-23



A total of 3287 training programmes were held in 2022-23, with 3028 in physical mode and 205 in virtual mode. The physical mode had 1,77,744 participants, while the virtual mode had 23,965 participants.

4.4 VAIKUNTH MEHTA NATIONAL INSTITUTE OF COOPERATIVE MANAGEMENT (VAMNICOM)

"Cooperative Training is not merely a prerequisite but is a permanent condition of cooperative activities"

Vaikunth Mehta

VAMNICOM, a National Institute under the aegis of National Council for Cooperative Training (NCCT), promoted by Ministry of Cooperation, Govt. of India, is responsible for organizing, directing, monitoring and evaluating the arrangements for cooperative training of the personnel working in the cooperative sector in the country. Established way back in the year 1946 in Mumbai as a Cooperative Training College, VAMNICOM established in 1967 is an apex center for Cooperative Management Training, Research and Consultancy. It has also extended its activities to other countries in South East Asia in the sphere of Cooperative Training and Education.



VAMNICOM Campus in Pune

4.4.1 Centers of VAMNICOM

The Institute has following established centers.

1. Centre for Cooperative Management (CCM)
2. Centre for Information Technology (CIT)
3. Centre for Training & Information System (TIS)
4. Centre for Management Education (CME)

5. Centre for Gender Studies (CGS)
6. Centre for Research & Publication (CRP)
7. Centre for Entrepreneurship Development (CED)

4.4.2 VAMNICOM Programmes

VAMNICOM has conducted total 178 numbers of Training programmes (174 short term & 4 long term). Management Development Programme on different aspects and Leadership Development Programmes etc. were conducted for Senior / Middle Level Officials & Non – Officials of Cooperatives & allied sector and in total 11751 participants were trained from 1st April, 2022 to 31st March, 2023.

4.4.2.1 Post Graduate Diploma in Cooperative Business Management (PGDCBM)

This course has been designed for in-service senior level personnel working in Cooperative organization and departments to equip the participants with appropriate managerial know how to meet the emerging challenges of today's cooperative business environment. The 56th Batch of PGDCBM Programme with 22 participants commenced on 17th August, 2022 and completed on 17th February 2023.



Hon'ble Shri Amit Shah, Union Minister for Home and Cooperation, Govt. of India awarding Diploma to the successful students at the Convocation Ceremony held on 19th December, 2021

4.4.2.2 Post Graduate Diploma in Management-Agri Business Management (PGDM-ABM)

VAMNICOM's Centre for Management Education offers a two-year Post Graduate Diploma in Management (PGDM) Programme since 1993 and PGDM-ABM was introduced in the year 2004. The centre seeks to mould its young students who come from different academic backgrounds and diverse skills into competent professionals of tomorrow. The students learn to combine the use of technical skills with the understanding of the socio-cultural system to emerge as leaders in their fields and make a significant contribution through management in all sectors of society. Considering the ever-growing requirement for professional managers in the field of Agri Business, the PGDM-ABM programme has been restructured with a specialization in Agri Business Management (ABM).

The PGDM-ABM has been recognized by All India Council for Technical Education (AICTE), Government of India, accredited by National Board of Accreditation (NBA) and recognized by Association of Indian Universities (AIU) as equivalent to MBA Degree. The 2022 – 24 batch (1st year) comprises 99 students and 2021 – 23 batch (2nd year) comprises 70 students.



Shri B.L. Verma, Hon'ble Minister of State for Cooperation, Govt. of India Inaugurating the 30th batch of PGDM-ABM 2022-24 batch on 11th July 2022

4.4.3 Research and Publication

Research and training are the integral part of activities of the Institute. The Institute has full-fledged separate centre known as "Centre for Research and

Publication". The centre undertakes various research projects which serve as background material for policy advocacy as well as for training and teaching. The Institute also provides consultancy in various areas of Management to the user organizations through its Action Research Programmes.

This Centre has undertaken 8 Research Projects including 02 Case studies, 12 Publications of Research Articles / Paper publication/ Paper presentation and 02 working papers from 1st April, 2022 to 31st March, 2023.

4.4.4 Centre for International Cooperation & Training in Agricultural Banking (CICTAB)

At the instance of FAO, Centre for International Cooperation & Training in Agricultural Banking was set up by Ministry of Agriculture & Farmers Welfare, Govt. of India as an autonomous institution with its headquarters at Vaikunth Mehta National Institute of Cooperative Management Campus, Pune in January, 1983.

CICTAB was organised on the lines of the recommendations of FAO Mission on CICTAB (Chairman, B. Venkatapiah, formerly Dy. Governor of Reserve Bank of India and with endorsement of Government consultations held at Pune of four initial member countries of CICTAB, viz. Bangladesh, Nepal, Sri Lanka and India. CICTAB became operational, initially for four countries of the region, viz. Bangladesh, Nepal, Sri Lanka and India.

Member countries of CICTAB

□ Currently, CICTAB has 39 Member institutions in the below SAARC region countries



Nepal(10)



India(17)



Bangladesh(3)



Bhutan(3)



Sri Lanka(5)



Maldives(1)

Subsequently in the year 1991, General Council of CICTAB decided to revive the development of CICTAB activities as focal centre of HRD efforts in the relevant fields for all the countries of the SAARC region.

The objective of CICTAB is;

- i. To actively promote and strengthen training in agricultural banking - credit and other organizations engaged in rural financing and development.
- ii. To conduct training courses/workshops/seminars in India or other countries of the region on various aspects of Agricultural/Rural Financing and Development.

CICTAB is registered as an autonomous institution with promoter members as listed in Memorandum of Association and other members. CICTAB has conducted **23** international training programmes and trained **581** participants during April, 2022 to March 2023.



International Programme on "Integrated Treasury Management"
during 9th-12th Nov,2022 at VAMNICOM, Pune

CHAPTER-5

NATIONAL LEVEL COOPERATIVE SOCIETIES/FEDERATIONS

"The basic idea of governance, as I see it, is to hold the society together so that it can develop and march towards certain goals"

Lal Bahadur Shastri

5.1 NATIONAL COOPERATIVE UNION OF INDIA (NCUI)

National Cooperative Union of India (NCUI) is the apex organization representing the entire cooperative movement in the country. It was established in 1929 as All India Cooperative Institutes Association and was re-organised as Indian Cooperative Union through the merger of Indian Provincial Cooperative Banks' Association with All India Cooperative Institutes Association and later in 1961 as National Cooperative Union of India. Ever since then NCUI has been acting as torch-bearer of cooperative movement in the country.



Hon'ble Union Minister of State for Cooperation, inaugurated 'Cooperative Fair' at NCUI Campus, Delhi

The main objectives of NCUI are to promote and develop the cooperative movement in India through cooperative education and training programmes, carrying out research, publication of literature and audio-visual, publicity of the achievements of cooperatives through various modes of media, maintain information on various sectors of Cooperatives, express opinion on matters of cooperative policy and

legislation at various national and international forum, promote international cooperative relations through ICA and other international cooperative development agencies. NCUI works closely with government, the State Cooperative Unions, multi-state cooperative societies and all other stakeholders to assess the challenges and opportunities and prepare future road map for strengthening the cooperatives by facilitating promotion and marketing of cooperative products, provide consultancy and advisory services and any other activity for strengthening of the cooperative movement.

NCUI membership is open to national and state level co-operative organisations as well as multi-state co-operative societies. As on 31st March, 2023, NCUI has 291 members, including, 17 National, 160 State and 114 Multi-State Cooperatives.



NCUI organised National Workshop for Women Cooperators in New Delhi

5.1.1 Education and Training of personnel including members, office bearers and non-officials through National Centre for Cooperative Education (NCCE)

Set up in 1958 to address the need for systemic cooperative education for practitioners in the cooperative movement, the NCCE came into being as the 'All India Cooperative Instructors Training Centre' and expanded its mandate from building capacity of trainers to conduct member education programs to an institution that is designing and implementing training interventions to support the needs of cooperative organizations across primary, district, state and national levels. The Centre offers a range of training solutions including certificate and diploma courses, leadership development and Training of Trainers programs on cooperative education and

development, cooperative laws, accounting practices and other topics required for the capacity building and empowerment of the members and staff of cooperatives of India and SAARC countries. During 2022-23, NCCE conducted 196 training programmes with participation of 5107 participants.

5.1.2 Promotion of Cooperative based economic development model through Centre for Entrepreneurship Development & Cooperation (CEDC)

NCUI has established CEDC in 2022 to undertake research and consultancy work, build linkages with the stakeholders, carry out grassroots interventions and other activities aligning with the vision and objectives of the organisation for achieving the larger objectives of NCUI.



Incubation Centre for skill development and entrepreneurship programs at NCUI Campus, Delhi

5.1.3 Strengthening cooperative movement by deepening its reach to the grass root through Cooperative Education Field Projects in the cooperatively Under Developed Areas/States (UDS)

For strengthening cooperative movement in cooperatively under-developed states/areas and reducing regional imbalance in the level of development, Government of India approved a scheme of Cooperative Education for NCUI in 1976 under Central Sector Integrated Scheme for Agriculture & Cooperation (CSISAC) of Ministry of Cooperation with the objective to develop and promote cooperative

societies in project areas and through them to increase the productivity of farmer members and thus improve their socio- economic conditions of people in rural areas. NCUI is implementing CSISAC scheme for the intensification of Cooperative Education through 34 Cooperative Education Field Projects including Women Projects and Projects located in North-East region.

Intensive efforts for cooperative development through educational/development activities, socio-developmental activities and programmes focused on women empowerment and skill development/technical guidance are the main components of the field projects. The office bearers and members of project adopted societies are motivated and educated to implement the business development plans through their active participation in planning of business activities, operational management and its evaluation. Self Help Groups (SHGs) are formed by the project personnel to facilitate micro credit and sustainable income - generating activities and all educational, farm guidance and developmental activities are linked with business development plans of PACS/LAMPS adopted by projects for their overall development. During 2022-23, NCUI organized 17704 cooperative events with participation of 234407 participants.

5.1.4 Research and Studies

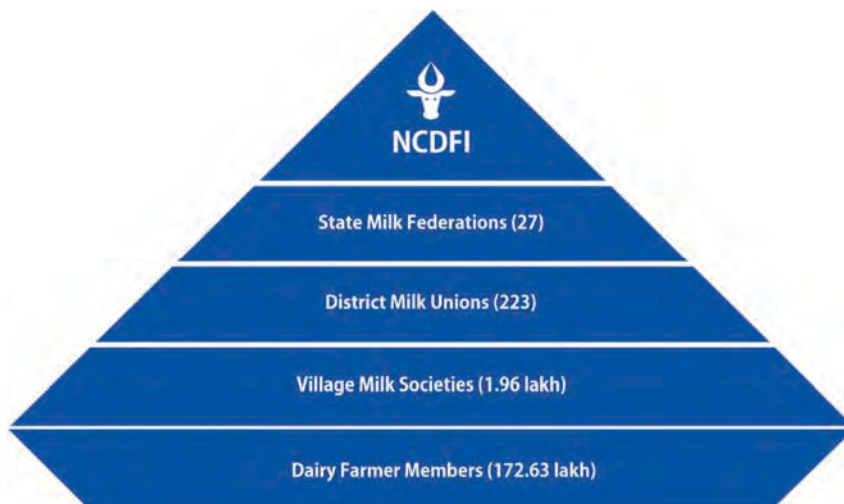
NCUI has conducted the following five research and studies as entrusted by the Ministry of Cooperation:

- i. Comparison of Cooperative Law (Acts/ Rules) of States and UTs
- ii. Understanding the Advantages and Disadvantages of the Cooperative Sector vis-a-vis Other Business Entities
- iii. Compendium of Central and State Govt. Schemes for the benefits of Cooperative Sector
- iv. Profile Mapping of Multi-State Cooperative Societies in India
- v. In-Depth Assessment of 117 Junior Cooperative Training Centres (JCTCs) across India

The NCUI research team is working on two more research studies as assigned by the Ministry of Cooperation viz. Impact of COVID on Cooperative Sector and Ease of Doing Business for Cooperatives.

5.2 NATIONAL COOPERATIVE DAIRY FEDERATION OF INDIA LTD (NCDFI)

National Cooperative Dairy Federation of India (NCDFI), based at Anand (Gujarat), is the apex organization for dairy sector cooperatives. Its members include federal dairy cooperatives of states and union territories. Primary objective of NCDFI is to facilitate the working of dairy cooperatives through coordination, networking and advocacy. National Cooperative Dairy Federation of India (NCDFI) was registered on December 07, 1970 under the Bombay Cooperative Societies Act (VII of 1925) as extended to the Union Territory of Delhi with its head office in New Delhi.



NCDFI Chairman greetings Hon'ble Minister of Home & Cooperation in 'Cooperative Dairy Conclave' at Gangtok

However, it was only during the year 1984 that it started functioning as the apex body of the cooperative dairy industry. In December 1986, to gain locational advantage, the NCDFI shifted its head-quarters from Delhi to Anand — the milk capital of India. In April 1987, the NCDFI bye-laws were amended to bring it under the provisions of Multi State Cooperative Societies Act.

The NCDFI has 19 Regular Members, 13 Associate Members and National Dairy Development Board (NDDB) as its Institutional Member. The NCDFI was registered with the following objects:

- (i) To promote the dairy and the oilseeds, vegetable / edible oil and vanaspati industries and other commodities on cooperative lines; and
- (ii) To coordinate, help, develop and facilitate the working of the dairy and oilseeds growers' cooperatives and affiliated organisations dealing in commodities.



Hon'ble Prime Minister, Shri Narendra Modi visits Amul's Banas Kashi Sankul Project on 23rd December 2021

Achievements of NCDFI in 2022-23:

- (i) NCDFI celebrated its Golden Jubilee NCDFI on April 10, 2022. On this occasion e-Market Award ceremony was organized, wherein 28 best-performing Dairy Cooperatives were awarded for their services to society.

- (ii) NCDFI organized the 'Cooperative Dairy Conclave' at Gangtok to further strengthen the cooperative ecosystem in the East and North-East Regions for the larger benefit of the local communities.

5.3 NATIONAL FEDERATION OF COOPERATIVE SUGAR FACTORIES LTD (NFCSF)

The National Federation of Cooperative Sugar Factories Ltd (NFCSF) was registered as a Multi-Unit Cooperative Society on December 2, 1960 under the provisions of Bombay Cooperative Societies Act 1925 as extended to the Union Territory of Delhi. In 1972, it was deemed to be registered under The Delhi Cooperative Societies Act 1972 and later under the Multi State Cooperative Societies Act 1984. Since, 2002, NFCSF is deemed to be registered under the Multi State Cooperative Societies Act, 2002. All Cooperative Sugar Factories and State Cooperative Sugar Federations across the country are its members.

NFCSF was established at a time when there were only 30 cooperative sugar factories producing 14.9% of the total sugar production. Under the guidance of NFCSF the capacity of the existing cooperative sugar factories were increased, new cooperative sugar factories were set up, yield of sugarcane per hectare and sugarcane recovery percentage was improved, resulting in increased sugar production. Today the cooperative sector of the sugar industry is responsible for about 35 per cent of the national production of sugar.

NFCSF has representations on various Ministries / Forums of Government of India like Ministry of Agriculture, Food, Commerce, Consumer Affairs, Petroleum and Natural Gas, Non-Conventional Energy Sources, Industries, etc. NFCSF has been behind the phenomenal growth of Indian Sugar Industry, particularly in co-operative sector through its Technical Cell created in 1977. It has provided Technical and Managerial services to about 130 new sugar mills capacities ranging from 1250 Tons of Cane per Day (TCD) to 10000 TCD and 70 existing mills in implementing their technology up-gradation, expansion, modernization, rehabilitation projects and Sugarcane Development Activities etc. At present, NFCSF has 267 members.

In essence, NFCSF's main endeavour is directed towards the economic betterment of cane growers in India. Many sugar factories of India, Nepal, Sri Lanka, Kenya, Ethiopia, Madagascar, Ghana, Sudan etc. have taken lead under the aegis of

NFCSS for their modernization, technological up-gradation, expansion, improvement in process efficiency and energy conservation etc.

Major developments in 2022-23:

- (i) **Relief to Sugar Cooperative Mills:** Sugar cooperative mills not to be subjected to additional income tax for paying higher sugarcane prices to farmers upto Fair and Remunerative or State Advised Price.
- (ii) **Resolution of chronic pending issues of Sugar Cooperative Mills:** Announcement made in the Union Budget 2023-24 to allow sugar cooperatives to claim as expenditure their payments to sugarcane farmers for the period prior to assessment year 2016–17, giving a relief of nearly Rs. 10,000 crores.

5.4 NATIONAL COOPERATIVE AGRICULTURE & RURAL DEVELOPMENT BANKS' FEDERATION LTD. (NAFCARD)

A significant event in the history of Long-Term Cooperative Credit Structure (LTCCS) in India has been the establishment of the National Co-operative Agriculture and Rural Development Banks' Federation Ltd (NAFCARD) in 1960. Since its inception, the Federation has been playing an important role in the growth of institutions in the sector. It has established effective coordination and promoted understanding among member banks and liaison with Central and State Governments, NABARD and financing agencies of SCARDBs.

Central Land Mortgage Banks were established in almost all the States during the 2nd Five Year Plan which came to be known as State Cooperative Land Development Banks which were renamed as State Cooperative Agriculture & Rural Development Banks with further diversification into rural non-farm sector in the 80s. The contributions of Agriculture & Rural Development Banks (ARDBs) to the development of Indian agriculture have been quite significant in the post-Independence era. ARDBs played a very important role in improving the productivity of land especially through development of minor irrigation and facilitating farm mechanization in the 60s and 70s. While continuing to promote capital formation in agriculture, these banks started financing rural non-farm sector projects in a big way in the 80s and 90s which helped rural families to increase their incomes substantially through value addition to their produce apart from providing opportunities for alternate

employment. ARDBs were leaders in providing investment credit for agriculture till the 1980-1990.

5.5 NATIONAL FEDERATION OF STATE COOPERATIVE BANKS LTD. (NAFSCOB)

The genesis of NAFSCOB rooted in historical discussions in Annual General Meeting of Maharashtra State Cooperative Bank in 1962 chaired by Dr. D.R. Gadgil, then Chairman of the Bank, regarding the policies and procedures of the Reserve Bank of India in respect of the operations of the State Cooperative Banks (SCBs), the future development of Cooperative Credit and role of the Apex Cooperative Banks. This had prompted eminent Co-operators such as Shri. Magan Bhai R. Patel, the then Chairman of Gujarat State Cooperative Bank to explore the possibility of establishing a federal organization to deal with the above issues. Consequently, the Federation was registered as 'All India State Cooperative Banks Federation' (ASCOF) on May 19th 1964 under the provision of the 'Maharashtra Cooperative Societies Act, 1960'. Subsequently, ASCOF was renamed as 'National Federation of State Cooperative Banks' (NAFSCOB) on 20th December, 1978, in line with other national level organisations. NAFSCOB is registered as a national level cooperative society under Multi-State Cooperative Societies Act, (Amendment) 2002.



Hon'ble Minister of Home & Cooperation inaugurating NAFSCOB National Conference in Delhi

NAFSCOB functions mainly for promoting and protecting the interest of the member banks in all spheres of their activities. At the end of March, 2022, there are 34 State Cooperative Banks (SCBs) of which 33 SCBs are members of NAFSCOB, with a network of 2000 branches, 351 District Central Cooperative Banks (DCCB). Activities of NAFSCOB include:

- a. To undertake relevant research studies in agriculture and rural credit from time to time and suggesting appropriate strategies.
- b. To implement the 'All India Mutual Arrangement Scheme' (AIMAS) evolved in 1965.
- c. To identify, formulate and evaluate the identified projects for the benefit of member banks.
- d. To develop a library-cum-documentation centre for providing research facilities to cooperatives.
- e. To disseminate information on latest innovations in banking practices, banking related technology, policies and decisions of various regulatory authorities and other aspects related to cooperative credit through 'NAFSCOB Journal of Rural Cooperative Credit and Banking', the in-house journal of NAFSCOB.
- f. To undertake any other activity for promoting, protecting and strengthening member banks.

5.6 NATIONAL COOPERATIVE CONSUMER'S FEDERATION OF INDIA LTD. (NCCF)

NCCF was established on 16th October, 1965 to function as the apex body of consumer cooperatives in the country. It is registered under the Multi-State Cooperative Societies Act, 2002. It operates through a network of 24 Branch Offices located in different parts of the country. NCCF is engaged in procurement and distribution of essentials commodities. The main objective of the NCCF is to provide supply support to the state agencies, consumer cooperatives and other agencies for distribution of consumer goods at reasonable and affordable rates as also to provide technical guidance and assistance to the consumers' cooperative in India.



NCCF wheat procurement centre in Uttar Pradesh

The activities/operations of NCCF are as under:

- Marketing of Grocery (Agro based commodities)
- Civil construction and Infrastructure Development
- General Merchandise
- Import/ Export of Designated Items
- Confiscated Goods
- Sale of subsidized pulses
- Marketing of Textiles
- Paddy /Wheat procurement at MSP in West Bengal, Uttar Pradesh, Uttarakhand, Tamil Nādu & Assam
- Marketing of Agri-inputs
- Any other activity authorized by the Chairman/Board of Directors/Govt of India

5.7 ALL INDIA HANDLOOM FABRICS MARKETING COOPERATIVE SOCIETY LTD.

The All-India Handloom Fabrics Marketing Cooperative Society is a National federation of Handloom weavers' cooperative Society from 23 states and the UTs of the country. This National society was set-up in the year 1956 and was also supported and sponsored by the Government of India for undertaking interstate and international

marketing of handloom goods produced by the poor weavers of the country. Accordingly, this society has been serving the cause of poor Handloom Weavers'/Artisans of the country for over 66 years now through its retail outlets and exports.



An outlet of All-India Handloom Fabrics Marketing Co-operative Society Ltd in Hyderabad

The All-India Handloom Fabrics Marketing Co-operative Society Ltd., was originally registered at Bombay on 19th March 1956 under the then Bombay Co-op. Societies Act of 1925. Subsequently, with the enactment of a Central Act (Multi-State Cooperative Societies Act in the year 1984), this Society was brought under the said Act, of 1984 and during the year 2002, and under Schedule-II of the said Act, this Society was classified as one among the 19 National Cooperative Societies in the country. Thus, Society since the year 2002 has been functioning under the said M.S.C.S. Act, 2002. The main aim and objective of the Society is to provide sustained marketing support to the poor weavers and artisans of our country in marketing their finished products and thereby provide them livelihood.

It has 23 apex societies and 1044 primary member handloom cooperative societies and 32 Government owned/controlled organizations from all over India as members. Thus, the Society is helping approximately 5.50 lakhs individual weavers from all the states, commencing from Kashmir to Kanyakumari. The Retail Showrooms

of the Society are popularly known as “Handloom House”, which have been set up in important cities of the country for conducting the retail sales. The export business is being done through our Export Departments at Noida and Chennai.

5.8 NATIONAL COOPERATIVE HOUSING FEDERATION OF INDIA (NCHF)

The National Cooperative Housing Federation of India (NCHF) was set up in the year, 1969 as an apex organization of cooperative housing sector. It is a promotional autonomous body registered as a national cooperative society under the Multi-State Cooperative Societies Act, 2002 and the management rests with an elected Board of Directors. 25 State level Apex Cooperative Housing Federations (ACHFs) are members of NCHF. These ACHFs are acting as central financing agencies for cooperative housing sector in their respective States. About 28,200 primary housing cooperatives in the country are members of the ACHFs. NCHF, inter-alia, has also been engaged in facilitating flow of funds to its member ACHFs from the funding institutions like LIC, NHB, HUDCO, Commercial and Cooperative Banks.



Shri B.L. Verma, Hon'ble Minister of State for Cooperation participating in the 69th All India Cooperative Week Celebrations, Cooperative Fair, 2022.

The principal objectives and broad functions of NCHF are to: (i) promote, coordinate and facilitate the operations of member ACHFs and housing cooperatives to enable them to provide affordable houses to their members; (ii) provide a common forum to Member ACHFs to examine problems of housing cooperatives and allied matters; (iii) promote/strengthen ACHFs and assist them in raising loans from various

funding agencies; (iv) coordinate and liaison with Central/State Governments, housing cooperatives, funding institutions and other concerned organizations; (v) carry out publicity and promotion of cooperative housing movement and for that purpose to arrange for publication of periodicals, news bulletins and journals, exchange statistics and information relating to cooperative housing; (vi) organize conferences, seminars, workshops, study visits as well as research work relating to cooperative housing and allied matters along with compilation and dissemination of information; (vii) organize cooperative education and training programmes for members, directors, employees of housing cooperatives; and (viii) provide guidance to housing cooperatives on general insurance of their properties against various perils.

. NCHF took a number of initiatives for augmenting the flow of funds to housing cooperatives at reasonable interest rates. These ACHFs have so far mobilized a cumulative sum of Rs.11940 crore and disbursed housing loans of Rs.13532 crore to their affiliated primary housing cooperatives as well as individual members for the construction or financing of 24.69 lakh housing units across the country.

5.9 NATIONAL FEDERATION OF URBAN COOP. BANKS & CREDIT SOCIETIES LTD (NAFCUB)

National Federation of Urban Cooperative Banks & Credit Societies (NAFCUB), with Registered Office at New Delhi, is the national level advocacy and promotional body of 1514 urban cooperative banks (UCBs) with 11,000 branches and well over 50000 Cooperative Credit Societies (CCS). The main object of the Federation is to provide common platform to the Urban Cooperative Credit Sector and arrange to place with Regulators for suitable resolutions.

Since 1977, NAFCUB has made significant contributions to foster the cause of the cooperating banking sector including the credit cooperative societies. It played a major role in the conferment of Scheduled status to UCBs, the formation of the Standing Advisory Committee in the Reserve Bank of India (RBI), Marathe Committee for the liberalization of branch licensing policy, Drawing of the Vision Document for UCBs and to encourage consultative approach, Acceptance of the Vision Document which paved the way for differential Prudential Norms for UCBs, Formation of TAFUCB to encourage voluntary mergers of non-viable UCBs, etc. NAFCUB has also represented in various important committees including the Viswanathan Committee (2020) of RBI which recommended the formation of an Umbrella Organisation for

UCBs. In addition, NAFCUB has also been organizing Seminars and Training Programmes on specialized areas for capacity building in the UCB sector. It publishes weekly Newsletter “Coop Banking” and a quarterly journal “Urban Credit”. NAFCUB has promoted research in the arena of cooperating banking. It has also played a pivotal role in the design of scheme and its implementation for the containment of the Madhavpura Bank crises.



NAFCUB Chairman greetings Hon'ble Minister of Home & Cooperation in National Conference in Delhi

Major Achievements during 2022-23:

- The limits on individual housing loans have been revised by RBI from Rs.30 lakh to Rs.60 lakh for Tier-I UCBs and from Rs.70 lakh to Rs.140 for Tier-II UCBs.
- Non-Scheduled Urban Cooperative Banks have been included as Member Lending Institutions (MLIS) of CGTMSE subject to fulfilling the eligibility criteria.

5.10 Indian Farmers Fertiliser Cooperative Limited (IFFCO)

Indian Farmers Fertiliser Cooperative Limited, also known as IFFCO, is a multi-state cooperative society. The Society is engaged in the business of manufacturing and marketing of fertilizers. IFFCO is headquartered in New Delhi, India. It began with only 57 cooperatives in 1967 and is currently an integration of approximately 35,000

Indian cooperatives carrying over 50 million Indian farmers with a wide variety of business interests, including insurance products, rural telecommunications, its core fertilizer production and sales sector.



Hon'ble Prime Minister inaugurating World's First Nano Urea (Liquid) Plant in Kalol, Gandhinagar, Gujarat, on 28th May, 2022

As an organisation, IFFCO has been practising sustainable business practices for several years. It has transitioned to clean energy and installed solar rooftop power plants in all the plants and townships. A conscious effort has been made to maintain attractive landscapes around all its townships and plants. Efforts towards sustainability have to be an unbroken chain of activities, as Mother Nature always needs and rewards persistence. As an organisation that works closely at the grassroots level, IFFCO understands the urgency to preserve Mother Earth. It is cognisant of India's pledge to achieve Net-zero carbon emission targets by 2070 and 17 Sustainable Development Goals (SDGs) laid down by the United Nations. IFFCO has been advocating a balanced use of fertilisers for a long time. It conducts environmental awareness programmes for farmers, village community and its employees regularly. Save The Soil campaign, which focuses on soil rejuvenation through sustainable practices, attests to IFFCO's allegiance to ecological balance.

It has been relentlessly pursuing afforestation in Uttar Pradesh, Madhya Pradesh, Rajasthan and Uttarakhand. The development of Nano Urea and bio-fertilisers aligns with its core philosophy of preserving the environment. Any work on

sustainability is incomplete without investing in enabling systems and frameworks that allow for capacity building, behavioural change for better practices, and gender equality. 44 years ago, IFFCO set up the Cooperative Rural Development Trust (CORDET), to promote rural development and to encourage balanced use of fertilisers. Last year, 47 thousand people benefitted from activities on social development, tree plantation, soil testing campaigns, supply of cattle feed, health camps for humans and livestock. IFFCO's another associate organisation, IFFDC, has been working towards improving the socio-economic status of rural poor, tribal communities and women in particular. It is heartening to note that women make up 32 percent of the total membership of IFFDC.

Major Achievements during 2022-23:

- (i) World's First Nano Urea (Liquid) Plant Inaugurated by Hon'ble Prime Minister in Kalol, Gandhinagar, Gujarat, 28th May, 2022.
- (ii) Foundation Stone of IFFCO Nano Urea (Liquid) Plant at Deoghar, Jharkhand, 4th February, 2023

5.11 Krishak Bharati Cooperative Limited (KRIBHCO)

KRIBHCO is a premier National level Cooperative Society of India engaged in fertilizer production and distribution and is registered under Multi State Cooperative Societies (MSCS) Act, 2002. KRIBHCO was founded in April 1980, to produce and distribute high-quality agricultural inputs, mainly chemical fertilizers, through cooperatives and institutional agencies. The paid-up share capital of KRIBHCO has been contributed by 9478 cooperative societies from all over the country. KRIBHCO believes in keeping with its cooperative philosophy and legacy while incorporating technology to better serve the nation. KRIBHCO was one of the first Plants to come up in Hazira Area in the State of Gujarat, on the bank of river Tapti, 15 km from Surat is a leading Fertilizer player in the Cooperative Sector.

KRIBHCO's production facility is located at Hazira, Gujarat and its wholly-owned subsidiary KRIBHCO Fertilizers Limited (KFL) production facility is located at Shahjahanpur, Uttar Pradesh. Oman India Fertiliser Company S.O.A.C. (OMIFCO), a Joint Venture of KRIBHCO has its production facility in SUR, Oman. In addition to production of fertilizers, Society is also engaged in trading and distribution of bulk fertilizers like DAP, NPK, MOP etc.

The product basket of KRIBHCO comprises of Urea, DAP, NPK, MOP, SSP, Zinc Sulphate, Bio-Fertilizers, Certified Seed, Compost, Hybrid Seeds, BT Cotton etc. KRIBHCO distributes these products through its channel partners both in cooperatives and private retail. It also supplies products through and its own outlets, commonly known as *Krishi Bikash Shilpa Kendra* (KBSK).



Hon'ble Union Minister for Home & Cooperation, Shri Amit Shah laid the foundation stone of this Bio-Ethanol plant of KRIBHCO at Hazira on 14th September 2022.

India is presently affected by higher price of petrol and diesel. Our visionary Hon'ble Prime Minister launched Ethanol Blended Petrol (EBP) Programme to mix this biofuel with petrol to reduce the consumption of fossil fuel which will reduce Nation's dependence on other countries to fulfil its energy demand. KRIBHCO took initiative to fulfil this vision and incorporated KRIBHCO Green Energy Pvt. Ltd., a special purpose vehicle (SPV), to install three bio-ethanol projects and first of which is at Hazira, Surat. Hon'ble Union Minister for Home Affairs and Cooperation, Shri Amit Shah laid the foundation stone of this Bio-Ethanol plant on 14th September 2022.

5.12 National Agricultural Cooperative Marketing Federation of India Limited (NAFED)

National Agricultural Cooperative Marketing Federation of India Limited (NAFED) was established on the auspicious day of Gandhi Jayanti on 2nd October, 1958 under the Bombay Cooperative Societies Act (vii) of 1925 and now deemed to

be registered under the Multi State Co-operative Societies Act, 2002. The mission of NAFED is to promote Co-operative marketing of agricultural produce for the benefit of farmers.

At present NAFED has 978 members comprising Apex & State Level Marketing Federations, State Level Tribal and Commodity Federations, Primary Marketing/ Processing Societies and NCCF & Other National Level Coop. Organisations.



An outlet of NAFED BAZAAR in Delhi

The objectives of the NAFED are to organize, promote and develop marketing, processing and storage of agricultural, horticultural and forest produce; distribution of agricultural machinery, implements and other inputs; undertake inter-state, import and export trade, wholesale or retail as the case may be and to provide technical advice in agricultural production for the promotion and the working of its members, partners, associates and cooperative marketing, processing and supply societies in India. NAFED is one of the Nodal Agencies of Govt. of India for procurement of pulses and oilseeds at MSP under Price Support Scheme (PSS). NAFED is also one of the Nodal Agencies of Govt. of India for procurement of pulses and onion under Price

Stabilization Fund (PSF) Scheme and plays a crucial role in price stabilization of essential commodities like onion and pulses through creation of national buffer on the direction of Govt. of India. NAFED also undertakes supply of processed milled/ upgraded pulses for Central/ State Welfare Scheme including supply to Army and CPMF and Fortified Rice Kernel, edible oil, sugar, salt, *daliya*, dry rations etc. as per the requirement of State Governments/Central Agency for various welfare schemes.

NAFED is one of the largest procurement as well as marketing agencies for agricultural commodities in India. The Federation has been working for the welfare of farmers and safeguarding the interest of the consumers as well. An outstanding example of a 360-degree turnaround from a loss-making cooperative into a profitable entity, NAFED is proactively taking forward the mission of food security of the nation and assisting in feeding a staggering 130 crore population, the second largest in the world. NAFED has also been in the forefront of fulfilling humanitarian commitment made by the Central Government not only in India, but also to under developed countries across the globe. Whenever any natural calamity occurs in the country or elsewhere in the world, the Government of India sends emergency relief materials including food grains, which NAFED diligently executes/carries out as per the directions of the Government.

5.13 Tribal Co-Operative Marketing Development Federation of India Limited (TRIFED)

TRIFED was established in August 1987 under the Multi-State Cooperative Societies Act, 1984 by the Government of India as a National level Cooperative body under the administrative control of the then Ministry of Welfare of India, with the basic mandate of bringing about socio-economic development of tribals of the country by institutionalizing the trade of Minor Forest Produce (MFP) & Surplus Agricultural Produce (SAP) collected/ cultivated by them. As a market developer and service provider, the objective of TRIFED is socio-economic development of tribal people in the country by way of marketing development of the tribal products on which the lives of tribals depends heavily as they spend most of their time and derive a major portion of their income. The philosophy behind this approach is to empower tribal people with knowledge, tools and pool of information so that they can undertake their operations in a more systematic and scientific manner. The approach involves capacity building of the tribal people through sensitization, formation of Self-Help Groups (SHGs) and imparting training to them for undertaking a particular activity, exploring marketing

possibilities in national as well as international markets, creating opportunities for marketing tribal products on a sustainable basis and creating a brand. TRIFED's MSP for MFP & VanDhan program is in line with the "The Scheduled Tribes and Other Traditional Forest Dwellers (Forest Rights Act, 2006)", a key forest legislation passed for securing protection & livelihood of poor tribals and concerns with the rights of forest-dwelling communities to land and other natural resources.



Hon'ble Prime Minister inaugurating 'Aadi Mahotsav' 2023 in Delhi

TRIFED is engaged in generating livelihood opportunities for tribal communities through marketing development of handicrafts and handlooms prepared with natural products. All its activities are aimed at creating such opportunities and sustaining the same on a regular basis. Empanelment of tribal artisans and procurement of the products, produced by them, is the core initiative for generating livelihood opportunities for tribal communities.

TRIFED has a network of 15 Regional Offices across the country which identifies and source tribal products for marketing through its retail marketing network of Tribes India outlets. TRIFED has been marketing tribal products through its Retail Outlets located across country and also through exhibitions. TRIFED has established

a chain of 35 own showrooms and 8 consignment showrooms in association with State level Organisations promoting tribal handicrafts.

5.14 National Labour Cooperatives Federation of India Ltd. (NLCF)

National Labour Cooperatives Federation of India Ltd. (NLCF) is an apex organisation established in the year 1981, now working under the provisions of Multi State Cooperative Societies Act, 2002. The main objective of NLCF is to organise, help and develop the working of Labour Cooperatives for economic and social development of the unorganised sector, the poor labourers comprising of economically weaker sections of the society mainly SC/ST, OBCs & Tribals. About 47,239 Labour Contract/Construction & Forest Labour Cooperatives are in existence in the country with their 216 District and 19 State level Federations having a membership of 27.42 Lakhs member workers. Presently NLCF has membership of 413 Societies/Federations which includes Primary, District and State Federations. Share Capital of NLCF is Rs. 1.236 Crore.



NLCF organised Leadership Development Training Programme for Forest Workers Cooperative Society of Maharashtra in Delhi

Achievements in 2022-23:

- Introduction of Labour Cooperatives under service sector of NCDC by implementing two important schemes.
- Introduction of Labour Cooperatives with NABARD Working in rural areas for Financial Assistance.
- Trained 844 Male 1015 Female members under skill development training programme.

- Established 19 New State Level, 77 District Level and 25,000 Primary Labour Societies.

Future Promotional plan:

- To cover the tribal population of Jharkhand, Chhattisgarh, Orissa, Maharashtra and Andhra Pradesh under the fold of Labour cooperatives.

5.15 National Federation of Fishers Cooperatives Ltd. (FISHCOPFED)

The National Federation of Fishers Cooperatives Ltd. (FISHCOPFED) is a national level federation of fisheries cooperatives registered under Multi State Cooperative Societies (MSCS) Act, 2002. It is an apex institution of Indian Fisheries Cooperative Movement. Its motto is to promote and develop the fishery cooperative movement in India, to educate, guide and assist fishers in their efforts to build up and expand the fishery cooperative sector and serve as an exponent of cooperative opinion in accordance with cooperative principles. It was established in 1980 as All India Federation of Fishermen Cooperatives and was rechristened as National Federation of Fishers Cooperatives Ltd. in 1982.

FISHCOPFED is promoted through schemes and funds of the Department of Fisheries of the Ministry of Fisheries, Animal Husbandry and Dairying, Department of Agriculture & Cooperation Govt. of India, National Cooperative Development Cooperation and National Fisheries Development Board. At present FISHCOPFED has 104 members comprises State and District level Federations.

CHAPTER-6

INTERNATIONAL SCENARIO IN COOPERATIVE SECTOR

"Founded on the principles of private initiative, entrepreneurship and self-employment, underpinned by the values of democracy, equality and solidarity, the co-operative movement can help pave the way to a more just and inclusive economic order"

Kofi Annan

The idea of cooperation is not new to human beings. It is as old as man himself. Cooperatives are an almost universal form of organization today found in practically all countries and used by people in many ways. The cooperatives are formed to secure low-cost credit, to purchase supplies and equipment for farming and household needs, to market products, even to secure many services, like electric power, irrigation, health, and insurance. Cooperatives can be used in many ways to benefit people in the everyday needs of life.

The meaning of cooperation is that isolated and powerless individuals can, by combining with one another, achieve advantages available to the rich and the powerful so that they may advance not only materially but also morally. In other words, a cooperative is a business organization that is owned by those who use its services, the control of which rests equally with all the members. It is voluntary and democratic and the moral element is as important as the material one. Furthermore, it recognizes social, educational, and community values.

It is easier to understand the concept of the cooperative by knowing its specific objectives. They can be summed as follows:

- i) They aim to provide goods and services.
- ii) They aim to eliminate the unnecessary profits of middlemen in trade and commerce.
- iii) They seek to prevent the exploitation of the weaker members of society.
- iv) They aim to protect the rights of people both as producers and consumers.
- v) They promote mutual understanding and education among their members and people in general.

Mr. W. P. Watkins of International Cooperative Alliance defines cooperation as: "A system of social organization based on the principles of unity, economy, democracy, equity, and liberty."

6.1 International Cooperative Alliance (ICA)

The International Cooperative Alliance was founded in London, England on 19th August 1895 during the 1st Cooperative Congress. In attendance were delegates from cooperatives from Argentina, Australia, Belgium, England, Denmark, France, Germany, Holland, India, Italy, Switzerland, Serbia, and the USA. Representatives established the International Cooperative Alliance with aim to provide information, define and defend the Cooperative Principles and develop international trade. The International Cooperative Alliance is the global steward of the Statement on the Cooperative Identity – the Values and Principles of the cooperative movement.

The Statement on the Cooperative Identity states that a cooperative is an *"autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise."*

Cooperative values: Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others

The International Cooperative Alliance unites, represents and serves cooperatives worldwide. It is one of the oldest non-governmental organisations and one of the largest ones measured by the number of people represented: **1 billion cooperative members globally**. It is the apex body representing cooperatives, which are estimated to be around 3 million worldwide, providing a global voice and forum for knowledge, expertise and co-ordinated action for and about cooperatives. More than 310 organisations from 107 countries are members of the International Cooperative Alliance. The ICA's members are international and national cooperative organisations from all sectors of the economy, namely agriculture, banking, consumer, fisheries, health, housing, insurance, and industry & services.

To implement its activities, the International Cooperative Alliance is organised with a Global Office based in Brussels, four Regional Offices (Africa, Americas, Asia-Pacific, and Europe), eight Global Sectoral Organisations (agriculture, banking, retail, fisheries, health, housing, insurance, and industry & services), and five Committees and Networks (gender, research, law, youth, and development).

6.2 International Labour Organisation (ILO)

From its creation in 1919, the International Labour Organisation (ILO) has recognized the importance of cooperatives as a means of pursuing its mandate to achieve social justice and full employment. The Cooperatives Unit of the ILO (COOP) has been a formal entity within the ILO since 1920. ILO COOP marks its Centenary in 2020. Currently the ILO's activities on cooperatives and wider social and solidarity economy enterprises (SSEEs) are managed through COOP under the Enterprises Department and guided by the international standard on cooperatives. ILO COOP serves ILO constituents, cooperatives and other SSEEs through three-pronged strategy:

- Advancing cooperatives and other SSEEs as economically, socially and environmentally responsible and viable business options particularly where they have an important role to play or provide services that are not otherwise provided toward a sustainable future of work through targeted interventions;
- Encouraging the integration of decent work as a priority in the cooperative movement's agenda in working on the development of cooperatives and other SSEEs and policies related to them; and
- Ensuring that specificities of cooperatives, as associations of persons and as business enterprises, and SSEEs are recognized in analysis, policy, and actions toward achieving decent work and a sustainable future.

The following are the six operational areas of work where ILO COOP is working actively:

- Providing legal and policy advice
- Scaling up development cooperation
- Upgrading training and capacity building
- Deepening research and knowledge generation efforts
- Strengthening partnerships

- Expanding on communication & dissemination



Various activities carry out by Cooperatives across the countries

The ILO works in partnership with the International Co-operative Alliance (ICA), the representative world body of cooperatives and is a member of the Committee for the Promotion and Advancement of Cooperatives (COPAC), an interagency committee which promotes sustainable cooperative development. In March 2017 the ILO was appointed as a rotating chair of COPAC for a two-year period which was extended till 2020 upon the request of the members of the committee. The ILO is also a co-founder of the UN Task Force on SSE (TFSSE) in 2013. Since July 2014, the ILO has been the chair of the UNTFSSE which currently has 18 UN agencies as members and 13 civil society organizations as observers.

6.3 India at International Forums:

Being home to almost 25% of total cooperative societies in the world and with history of cooperative movement in India dating back to more than a century, India is founder member of International Cooperative Alliance. India is participating actively at international forums working in the area of cooperative sector. Shri Pankaj Kumar Bansal, Joint Secretary (Cooperation) and MD, NCDC has been unanimously elected as the new Chairman of Network for the Development of Agricultural Cooperatives in Asia and the Pacific (NEDAC) for the term of 2023 and 2024 in the General Assembly Session during 3-6, November, 2022 at Bangkok, Thailand. NEDAC, a unique regional

forum, was set up in 1991 by the United Nations Food and Agriculture Organization (FAO)'s Regional Office for Asia and the Pacific, International Cooperative Alliance (ICA) and International Labour Organization (ILO) on the recommendation of the 1990 ICA regional conference of cooperative ministers. At present, NEDAC has 57 members from 9 countries.



Delegates from India attended NEDAC General Assembly 2022 in Bangkok, Thailand

6.4 Database of Cooperative at International Level

There is no global-level comprehensive database of cooperative statistics because statistical offices analyse cooperatives differently from country to country. Therefore, it is difficult to get a complete picture. There are some key reports and tools that provide some global data on cooperatives:

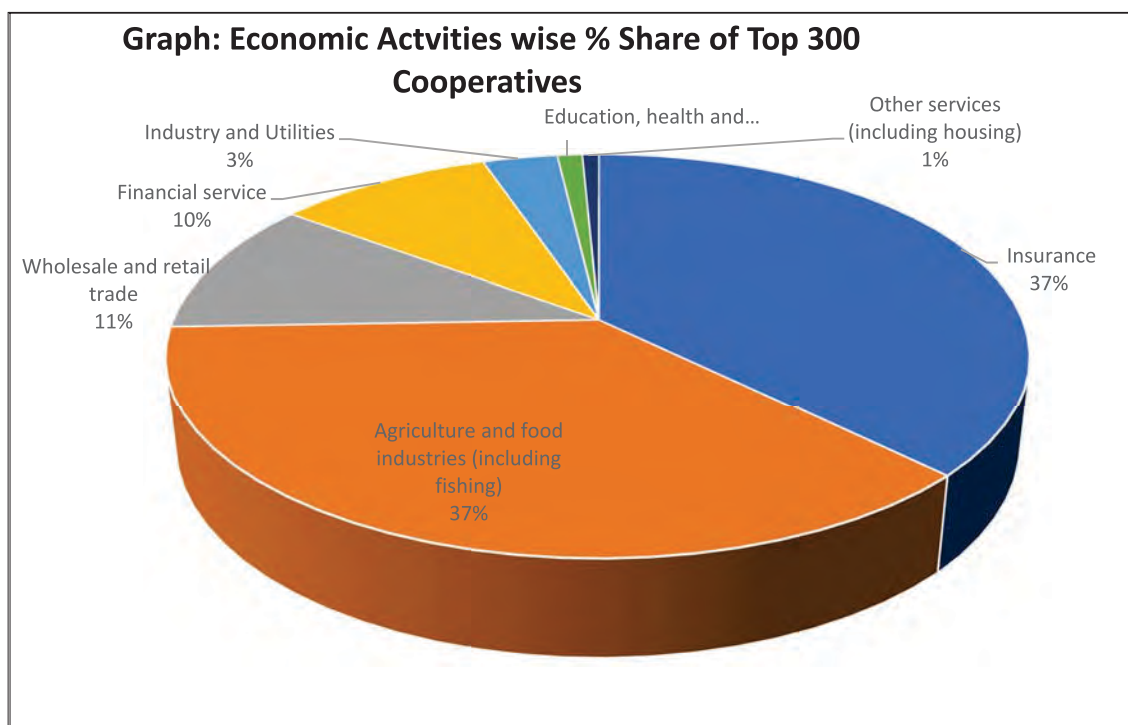
- i. The World Cooperative Monitor
- ii. Cooperatives and Employment
- iii. Measuring Cooperatives: An information guide on the ILO Guidelines concerning Statistics of Cooperatives

6.5 World Cooperative Monitor (WCM)

The World Cooperative Monitor (WCM) is a project designed to collect robust economic, organizational, and social data about cooperatives worldwide. It is the only report of its kind collecting annual quantitative data on the global cooperative movement. Published annually since 2011 by the International Cooperative Alliance and Euricse, it aims to develop a multi-dimensional database reporting on the socio-economic value and impact of cooperatives both within a global scenario and in their regional and national contexts. The World Cooperative Monitor is the successor to the former Global 300 project. The major goals of World Cooperative Monitor are;

- (a) Maintain an updated database on large cooperatives containing economic, employee and membership data;
- (b) Providing visibility to the movement by monitoring and by monitoring and demonstrating the impact of large cooperatives from both economic and a social perspective;
- (c) Respond to knowledge needs of large cooperatives, providing both ad- hoc quantitative and qualitative research on aspect of their interest.

As per World Cooperative Monitor, 2022, the top 300 by turnover ranking presents an overall total of 2,170.99 billion USD for the year 2020 with most of the enterprises operating in the insurance sector (101 enterprises) and agricultural sector (100 enterprises), followed by wholesale and retail trade (59 enterprises). The Top 300 by turnover over GDP per capita, rather, sees the agriculture sector standing out with 101 organisations, whereas the insurance sector counts 85 enterprises, followed by wholesale and retail trade (57 enterprises).



International Dairy Federation (IDF) World Dairy Summit 2022 held in Delhi, India during 12th -15th September, 2022

Among top 300 Cooperative Societies in terms of turnover in US\$, India has three Cooperative Society viz. IFFCO (97th Rank/60th Rank in 2019), AMUL (100th Rank/95th Rank in 2019), KRIBHCO (279th Rank/253th Rank in 2019). Whereas in terms of turnover/GDP per Capita India has 16 Cooperative Society among top 300

Cooperative Societies, wherein IFFCO & AMUL occupying 1st and 2nd position, respectively and KRIBHCO is on 17th position.

**Table 6.5: List of Indian Cooperatives in Top 300 Cooperatives of World
(in terms of Turnover/GDP per Capita)**

Sl. No.	Name of Cooperative	Rank 2020	Rank 2019
1	IFFCO	1	1
2	Gujarat Cooperative Milk Marketing Federation Ltd (AMUL)	2	3
3	KRIBHCO	17	17
4	The Kerala State Co-operative Bank Ltd	35	--
5	The Saraswat Cooperative Bank Ltd	60	59
6	Maharashtra State Cooperative Bank Ltd	77	56
7	The SVC Bank Ltd	132	111
8	Karnataka State Cooperative Apex Banks Ltd	138	124
9	The Cosmos Cooperative Bank Ltd	145	--
10	ULCCS Ltd	172	139
11	The TJS Bank Ltd	175	150
12	Andhra Pradesh State Cooperative Bank Ltd	182	184
13	Buldana Urban Co-operative Credit Society Ltd. (BUCCS)	184	181
14	Madhya Pradesh State Cooperative Bank Ltd	195	168
15	Gujarat State Cooperative Bank LTD	203	187
16	Uttar Pradesh Cooperative Bank	212	206

Source: World Cooperative Monitor, 2022

3.6 International Organisation of Cooperatives in Industry and Services (CICOPA)

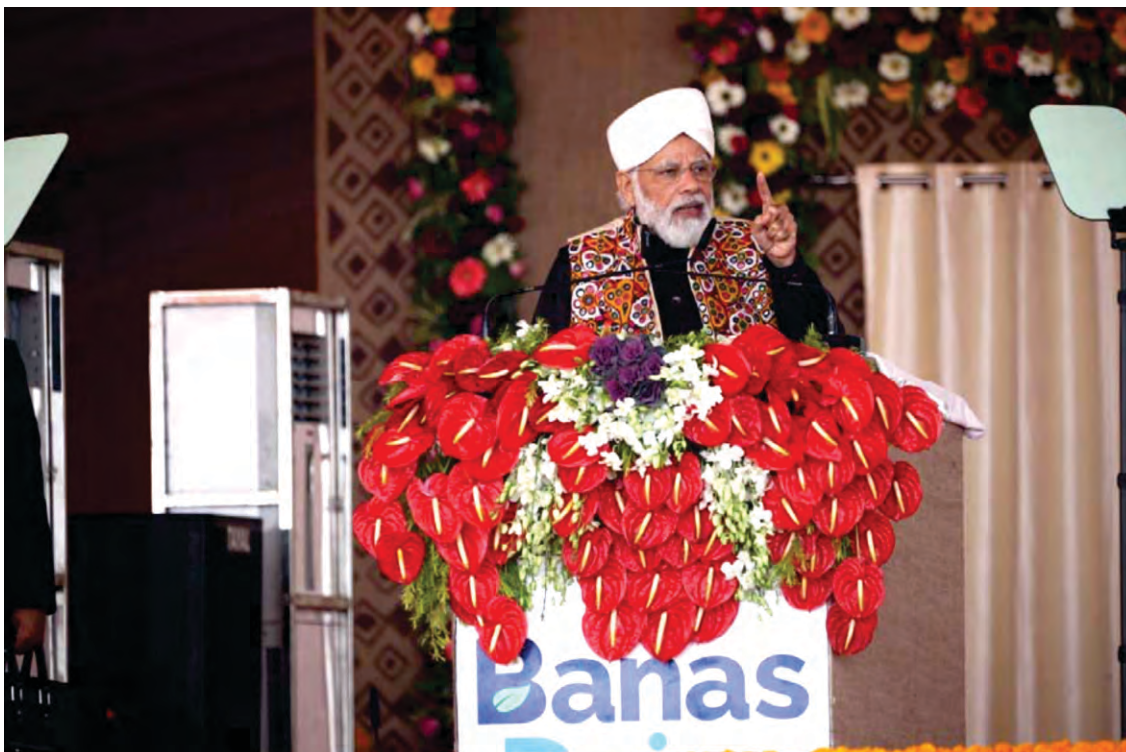
The CICOPA an international organization under ICA for industrial and service cooperatives presented for the first time at the 2014 Summit of Cooperatives, the study “Cooperatives and Employment: a global report” that discussed the significance of cooperative employment globally, both quantitatively and qualitatively. Its second edition published in September 2017 and based on data from 156 countries, shows how cooperatives contribute to resilient employment, a sustainable economy and the well-being of people at work.

CHAPTER-7 MAJOR EVENTS

7.1 National Cooperative Conference, 25th September, 2021



7.2 Hon'ble Prime Minister, Shri Narendra Modi, laid the foundation stone of Amul's Banas Kashi Sankul Project on 23rd December 2021.



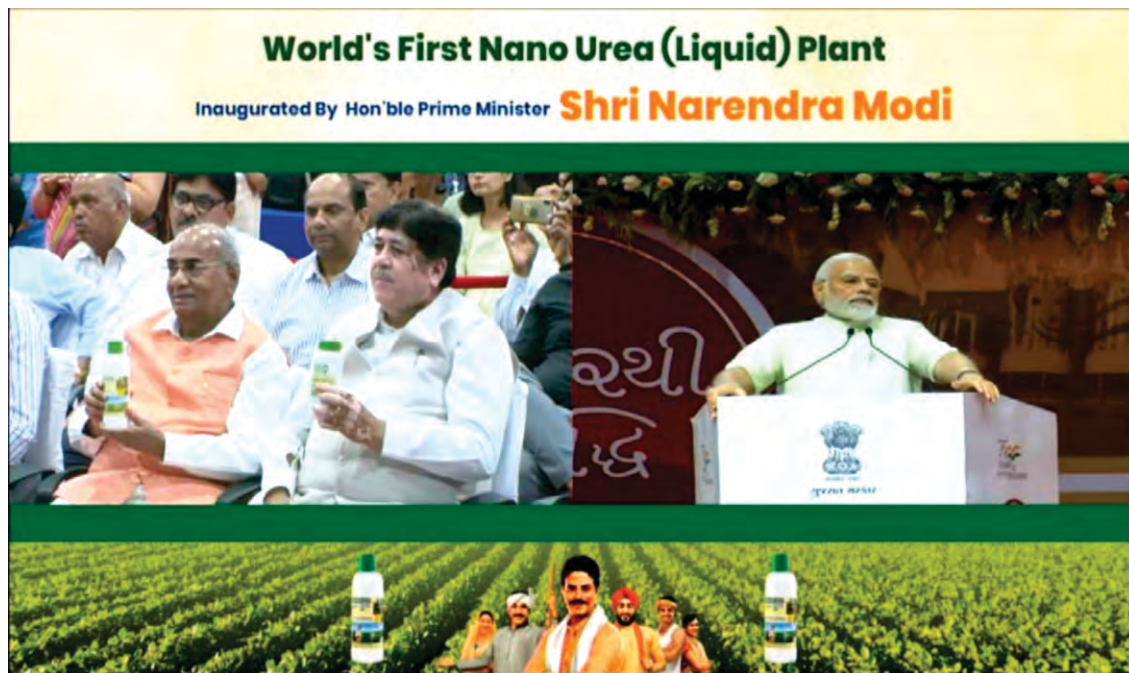
7.3 NCDFI's Golden Jubilee celebration in Gandhinagar, 10th April, 2022



7.4 National Conference on Cooperation Policy in Delhi, 12th -13th April, 2022



7.5 World's First Nano Urea (Liquid) Plant Inaugurated by Hon'ble Prime Minister in Kalol, Gandhinagar, Gujarat, 28th May, 2022



7.6 National Conclave organized by NAFCUB & Ministry of Cooperation on 23rd June, 2022, New Delhi



7.7 100th International Day of Cooperative of organized by NCUI, 4th July, 2022



7.8 National Conference of ARDBs, New Delhi, 16th July, 2022



7.9 Hon'ble Prime Minister of India dedicated UHT Milk Plant of Sabar Dairy to Nation on 28th July, 2022



7.10 E-launch of onboarding of cooperatives on the GeM portal, 9th August, 2022



7.11 National Conference of Rural Cooperative Banks on 12th August, 2022



7.12 National Conference organized by NAFED, 22nd August, 2022



7.13 National Conference of State Cooperative Ministers, 8th -9th September, 2022 in New Delhi



7.14 Hon'ble Cooperation Minister laid the foundation stone of Bio-Ethanol Project in KRIBHCO Hazira, Surat, 14th September, 2022



7.15 IDF World Dairy Summit-2022, Greater Noida, 12th-15th September, 2022



7.16 Hon'ble Union Minister for Home Affairs and Cooperation, Shri Amit Shah laid the foundation stone of this Bio-Ethanol plant at Hazira, Surat on 14th September 2022



7.17 Cooperative Dairy Conclave in Gangtok, 7th October, 2022



7.18 Celebrations of 75th Foundation Year of AMUL on 31st October, 2022



7.19 Foundation Stone of IFFCO Nano Urea Plant at Deoghar, Jharkhand, 4th February, 2023



7.20 Golden Jubilee celebrations of CAMPCO in Puttar, Karnataka, 11th February, 2023



ANNEXUES

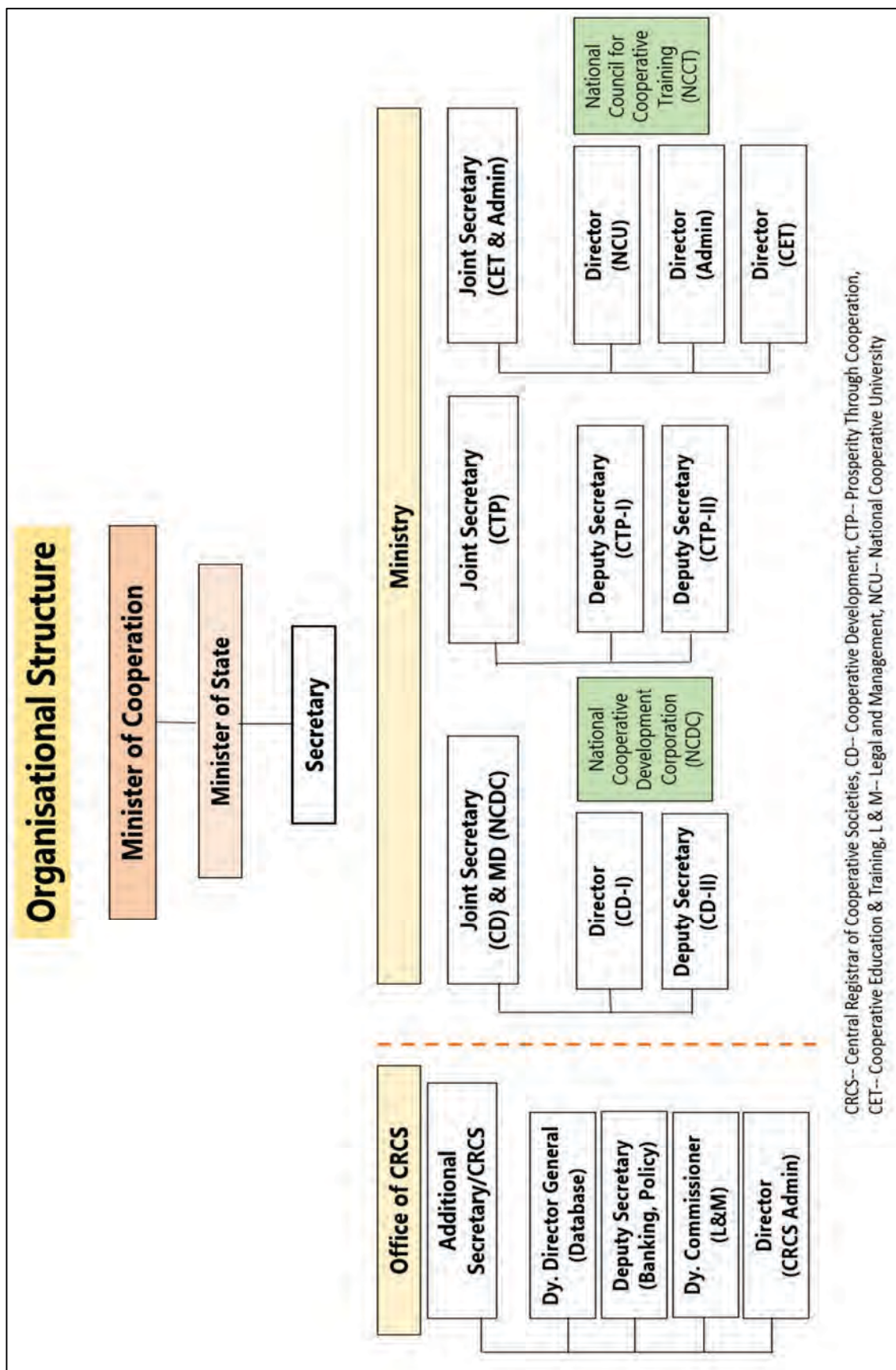


Table 1: List of National Cooperative Societies included in Second Schedule of MSCS Act, 2002

Sr. No.	Name of National Cooperative Society
1	National Co-operative Land Development Banks Federation Limited, Mumbai. (NAFCARD)
2	National Federation of State Co-operative Banks Limited, Mumbai. (NAFSCOB)
3	National Cooperative Union of India Limited, New Delhi. (NCUI)
4	National Agricultural Co-operative Marketing Federation of India Limited New Delhi. (NAFED)
5	National Co-operative Consumer's Federation Limited New Delhi (NCCF)
6	National Federation of Cooperative Sugar Factories Limited New Delhi (NFCSF)
7	National Co-operative Housing Federation Limited New Delhi (NCHF)
8	Indian Farmers Fertilizer Cooperative Limited, New Delhi (IFFCO)
9	All Indian Federations of Co-operative Spinning Mills Limited, Mumbai
10	National Co-operative Dairy Federation of India Limited, Anand. (NCDFI)
11	All Indian Handloom Fabrics Marketing Co-operative Society (AIHFMCS) Limited, New Delhi
12	National Federation of Urban Co-operative Banks & Credit Societies Limited, New Delhi (NAFCUB)
13	Krishak Bharati Co-operative Limited New Delhi. (KRIBHCO)
14	National Federation of Fishermen's Co-operatives Limited, New Delhi (FISHCOPFED)
15	National Federation of Labour Co-operative Limited, New Delhi (NLCF)
16	Tribal Co-operative Marketing Development Federation of India Limited, New Delhi (TRIFED)
17	National Cooperative Organics Limited, Anad, Gujarat
18	Bharatiya Beej Sahakari Samiti Limited, New Delhi
19	National Cooperative Exports Limited, New Delhi

Table 2: List of registered Multi State Cooperative Societies in different states in the country under Multi State Co-operative Societies as on 28th February, 2023.

Sr. NO	State/UT Name	No. of Coop. Societies
1	ANDHRA PRADESH	24
2	ARUNACHAL PRADESH	1
3	ASSAM	6
4	BIHAR	19
5	CHANDIGARH	1
6	CHHATTISGARH	8
7	DADRA AND NAGAR HAVELI	1
8	GOA	1
9	GUJARAT	43
10	HARYANA	21
11	HIMACHAL PRADESH	1
12	JAMMU AND KASHMIR	2
13	JHARKHAND	9
14	KARNATAKA	29
15	KERALA	30
16	MADHYA PRADESH	29
17	MAHARASHTRA	670
18	MANIPUR	3
19	NAGALAND	1
20	NEW DELHI	161
21	ODISHA	19
22	PONDICHERRY	6
23	PUNJAB	24
24	RAJASTHAN	72
25	SIKKIM	1
26	TAMIL NADU	126
27	TELANGANA	9
28	UTTAR PRADESH	161
29	UTTARAKHAND	5
30	WEST BENGAL	69
	Total	1552

Table 3: Sector wise list of registered Multi State Cooperative Societies under Multi State Co-operative Societies as on 28th February, 2023.

Sr. No.	Sector	No. of Coop. Societies
1	Credit	617
2	Agro	292
3	Housing	143
4	Multi-Purpose	101
5	Dairy	95
6	Cooperative Banks	66
7	Marketing	35
8	Industrial	33
9	National Federation	21
10	Welfare	20
11	Consumer	10
12	Construction	8
13	Tourism	9
14	Fisheries	9
15	Handloom / Handicraft	4
16	Technical	6
17	Others	69
18	Health/Hospital	14
	TOTAL	1552

Table 4: State /Union territories wise Multi State Cooperative Societies registered under MSCS Act, 2002 since formation of Ministry of Cooperation i.e., July-December, 2021; 2022 and up to 28.02.2023.

Sr. No.	State/ Union territories	No. of Societies
1.	Andhra Pradesh	1
2.	Assam	1
3.	Bihar	1
4.	Gujarat	2
5.	Haryana	6
6.	Jammu & Kashmir	1
7.	Jharkhand	1
8.	Kerala	10
9.	Madhya Pradesh	1
10.	Maharashtra	33
11.	Manipur	2
12.	New Delhi	4
13.	Punjab	1
14.	Tamil Nadu	6

15.	Telangana	2
16.	Uttar Pradesh	12
17.	Uttarakhand	2
18.	Pondicherry	1
	Total	87

Table 5: No. of Multi State Cooperative Societies registered under MSCS Act, 2002 during the since formation of Ministry of Cooperation i.e., July-December, 2021; 2022 and up to 28.02.2023.

Sr. No.	Year	No. of Societies
1.	From July to December, 2021	8
2.	January -December, 2022	68
3.	2023 up to 28th February	11
	Total	87

Table 6: Sector wise Multi State Cooperative Societies registered under MSCS Act, 2002 since formation of Ministry of Cooperation i.e., July-December, 2021; 2022 and up to 28.02.2023.

Sr. No.	Sector	No. of Coop. Societies
1	Agriculture	45
2	Housing	3
3	Multi-Purpose	1
4	Cooperative Banks	4
5	Industrial	1
6	National Federation	3
7	Construction	3
8	Tourism	1
9	Fisheries	3
10	Technical	4
11	Health/Hospital	17
12	Credit	1
13	Others (Education)	1
	Total	87

Table 5: State-wise distribution of Cooperative Societies reported under Phase-I of National Cooperative Database

Sr. No.	State/UT	No. of PACS	No. of Dairy	No. of Fishery	Total
1	ANDAMAN & NICOBAR ISLANDS	46	47	110	203
2	ANDHRA PRADESH	2042	723	2125	4890
3	ARUNACHAL PRADESH	34	23	7	64
4	ASSAM	809	819	535	2163
5	BIHAR	8481	7639	485	16605
6	CHANDIGARH	17	11	0	28
7	CHHATTISGARH	2058	847	1669	4574
8	DELHI	0	0	0	0
9	GOA	93	185	26	304
10	GUJARAT	10262	16291	662	27215
11	HARYANA	772	7263	124	8159
12	HIMACHAL PRADESH	2198	436	73	2707
13	JAMMU AND KASHMIR	597	160	3	760
14	JHARKHAND	4295	63	531	4889
15	KARNATAKA	6039	17123	709	23871
16	KERALA	1682	3430	989	6101
17	LADAKH	158	74	1	233
18	LAKSHADWEEP	0	0	3	3
19	MADHYA PRADESH	4541	9894	2735	17170
20	MAHARASHTRA	20928	13146	3365	37439
21	MANIPUR	250	803	759	1812
22	MEGHALAYA	509	149	128	786
23	MIZORAM	84	61	39	184
24	NAGALAND	1166	156	370	1692
25	ODISHA	2709	1045	769	4523
26	PUDUCHERRY	56	119	69	244
27	PUNJAB	3951	7047	6	11004
28	RAJASTHAN	7440	15706	136	23282
29	SIKKIM	178	395	6	579
30	TAMIL NADU	4483	9713	1445	15641
31	TELANGANA	908	1690	4961	7559
32	THE DADRA & NAGAR HAVELI AND DAMAN & DIU	7	30	19	56
33	TRIPURA	292	324	285	901
34	UTTAR PRADESH	7477	17873	1110	26460
35	UTTARAKHAND	671	2752	167	3590
36	WEST BENGAL	5196	2142	375	7713
	Grand Total	100429	138179	24796	263404

Ministry of Cooperation
Demand No-16
Annual Budget Report

(In Crore Rupee)

Sl. No.	Name of Scheme/Description	Budget Estimates (BE) 2022-23	Revised Estimates (RE) 2022-23	Actual Expenditure as on 31.03.2023	% Exp. as on 31.03.2023 w.r.t. BE 2022-23
	1	2	3	3	4
1	Establishment Expenditure of the Centre				
I	Secretariat	98.10	57.10	20.75	21.15%
II	Other Attached and Subordinate Offices (CRCS)	10.90	10.90	5.03	46.15%
	TOTAL - ESTABLISHMENT EXPENDITURE OF THE CENTRE	109.00	68.00	25.78	23.65%
2	Central Sector Schemes				
I	Integrated Scheme on Agriculture Cooperation (ISAC)	50.00	664.96	411.80	823.60%
II	Grant-in-Aid to NCDC for Strengthening of Cooperative Sugar Mills (CSMS)	-	-	500.00	-
III	Cooperative Credit Guarantee Fund	1.00	0.00	0.00	-
IV	Co-operative Education	30.00	30.00	0.00	-
V	Cooperative Training	25.00	25.00	0.00	-
	TOTAL - CENTRAL SECTOR SCHEMES	106.00	719.96	911.80	860.19%
3	Other Central Sector Expenditure				
	Autonomous Bodies				
I	National Council for Cooperative Training (NCCT)	39.00	38.00	35.75	91.67%
II	Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM)	11.00	9.78	38.25	347.73%
	Total - Autonomous Bodies	50.00	47.78	74.00	148.00%
	TOTAL - OTHER CENTRAL SECTOR EXPENDITURE	50.00	47.78	74.00	148.00%
4	Centrally Sponsored Schemes				
I	Computerization of Primary Agricultural Credit Societies	350.00	350.00	495.00	141.43%
II	Prosperity through Cooperatives	274.00	274.00	0.00	-
	TOTAL - CENTRALLY SPONSORED SCHEMES	624.00	624.00	495.00	79.33%
5	Capital Outlay on Public Works				
I	Capital Outlay on Public Works	11.00	165.00	164.78	1498.00%
	TOTAL - Capital Outlay on Public Works	11.00	165.00	164.78	1498.00%
	GRAND TOTAL (1+2+3+4+5)	900.00	1624.74	1671.36	185.71%



सहकारिता मंत्रालय
Ministry of Cooperation

भारत सरकार
Government of India

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