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The new national policy on cooperatives has called for an apex cooperative bank to enhance collaboration among various tiers of cooperative financial institutions while preserving the three-tier credit structure of Primary Agricultural Cooperative Societies (PACS), District Credit Cooperative Banks (DCCBs) and state cooperative banks to provide affordable credit.

At present, RBI has the regulatory control over all cooperating banking institutions. But non-banking cooperative societies, such as thrift credit societies, work within the oversight of the respective state registrar of cooperatives.

"This (the apex national cooperative bank) is meant to harness their true potential and to provide support, capacity building, professionalism and business opportunities," the policy released by Union Home and Cooperative Minister Amit Shah on Thursday said.

PACS operate at the panchayat or village levels, DCCBs at the districts and state cooperative banks at the state levels.

The policy, however, doesn't touch the tricky issue of power to register cooperatives, leaving it with the states (for state cooperatives) and Centre (for multi-state cooperatives).

It also talks of forming a task force to examine the challenges faced by cooperative credit insti-

tutions (DCCB, PACS, Agricultural and Rural Development Banks) and land development banks and suggest measures to address these challenges, including issues of long-term credit and recommend a road map to increase the deposits of DCCBs, etc. India has over 800,000 cooperative societies, comprising around 200,000 cooperatives and 600,000 non-credit cooperatives.

Non-credit cooperatives primarily operate in sectors such as housing, dairy, labour, and others, including sugar, consumer, marketing, fisheries, textiles, services, processing, hospitals, etc.

Moreover, with about 300 million total members in the cooperative sector, PACS alone have more than 130 million members spread across the country.

Meanwhile, DN Thakur, Patron of Sahakar Bharti, welcomed the policy saying that it clearly shows the intent of the current government on cooperatives and the cooperative sector.

"So anybody who now wants to work in the cooperative sector has a clear idea of the policy framework and support system," Thakur said.

Union Agriculture Minister Shivraj Singh Chouhan too welcomed the new national cooperative policy saying it would be beneficial for the farmers.