



**STANDING COMMITTEE ON  
AGRICULTURE, ANIMAL HUSBANDRY  
AND FOOD PROCESSING  
(2024-25)**

**(EIGHTEENTH LOK SABHA)  
MINISTRY OF COOPERATION**

**DEMAND No. 16**

**NINTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**March, 2025 / Phalguna, 1946 (*Saka*)**

# **NINTH REPORT**

## **STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING**

**(2024-25)**

**(EIGHTEENTH LOK SABHA)**

**MINISTRY OF COOPERATION**

### **EXAMINATION OF DEMANDS FOR GRANTS (2025-26)**

*Presented to Lok Sabha on* 12.03.2025

*Laid on the Table of Rajya Sabha on* 12.03.2025



**LOK SABHA SECRETARIAT  
NEW DELHI**

**March, 2025 / Phalguna, 1946 (Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING**

**SHRI CHARANJIT SINGH CHANNI – CHAIRPERSON**

**MEMBERS**

**Lok Sabha**

2. Shri Patel Umeshbhai Babubhai
3. Smt. Harsimrat Kaur Badal
4. Shri Rajkumar Chahar
5. Smt. Anita Nagarsingh Chouhan
6. Shri Kuldeep Indora
7. Shri Rajpalsinh Mahendrasinh Jadav
8. Md. Abu Taher Khan
9. Shri Rahul Singh Lodhi
10. Shri Sukanta Kumar Panigrahi
11. Smt. Krishna Devi Shivshankar Patel
12. Shri Naresh Chandra Uttam Patel
13. Shri Narayan Tatu Rane
14. Shri Murasoli S
15. Shri Dharambir Singh
16. Shri Dushyant Singh
17. Shri Sudhakar Singh
18. Shri Kodikunnil Suresh
19. Shri Tejasvi Surya
20. Smt. Geniben Nagaji Thakor
21. Shri Bhausahab Rajaram Wakchaure

**Rajya Sabha**

22. Smt. Ramilaben Becharbhai Bara
23. Dr. Anil Sukhdeorao Bonde
24. Shri Banshilal Gurjar
25. Shri S. Kalyanasundaram
26. Shri Nitin Laxmanrao Jadhav Patil
27. Shri Madan Rathore
28. Shri Ramji Lal Suman
29. Shri P. P. Suneer
30. Shri Randeep Singh Surjewala
31. *Vacant\**

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\* *Vacant vice Shri Krishan Lal Panwar resigned from Rajya Sabha on 14.10.2024.*

## **SECRETARIAT**

- |    |                          |   |                            |
|----|--------------------------|---|----------------------------|
| 1. | Shri Srinivasulu Gunda   | - | Joint Secretary            |
| 2. | Shri Khakha iZou         | - | Director                   |
| 3. | Shri Anil Kumar Sanwaria | - | Deputy Secretary           |
| 4. | Shri UjjwalYadav         | - | Assistant Security Officer |

## INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25), having been authorized by the Committee to submit the Report on their behalf, present this Ninth Report on Demands for Grants (2025-2026) of the Ministry of Cooperation.

2. The Committee under Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha considered the Demands for Grants (2025-26) of the Ministry of Cooperation which were laid on the Table of the House on 11 February, 2025.

3. The Committee took evidence of the representatives of the Ministry of Cooperation at their sitting held on 20 February, 2025. The Report was considered and adopted by the Committee at their sitting held on 10 March, 2025.

4. For facility of reference and convenience, the Recommendations / Observations of the Committee have been printed in bold letters in Part-II of the Report.

5. The Committee wish to express their thanks to the representatives of the Ministry of Cooperation for appearing before the Committee and furnishing the information that they desired in connection with the examination of Demands for Grants of the Ministry.

**NEW DELHI**

**11 March, 2025**

**20 Phalgun, 1946 (Saka)**

**CHARANJIT SINGH CHANNI**

***Chairperson,***

***Standing Committee on Agriculture***

***Animal Husbandry and Food Processing***



**REPORT**  
**PART I**  
**CHAPTER-I**  
**INTRODUCTORY**

The importance and significance of cooperation has been well recognized all over the world and the cooperative movement has been used as a state policy for continuous, inclusive and holistic development of the communities and for bringing economic prosperity in the life of the stakeholders. Since time immemorial, in India, the villages operated and prospered on the concept of cooperation by engaging in mutually benefited activities. The Indian civilization history is replete with instances of cooperation among the communities and joint and coordinated action and initiatives to achieve common good. Even during the modern times, before the 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 food-grains 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.

1.2 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 and various National Institutions, viz., Agricultural Refinance Corporation, National Cooperative Development Corporation, National Cooperative Federations, *Vaikunth* Mehta National institute of Cooperative Management. However, the cooperative movement in India is not uniformly distributed across the country, with difference in outreach and distribution at the state and regional levels. Many States still lack their own cooperation policies, and certain States have multiple cooperative Acts. 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 “*Sahakar se Samridhhi*” 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 among cooperative

### **Creation of the Ministry of Cooperation**

1.3 The subject of Cooperation was earlier administered through the Cooperation Division of the erstwhile Department of Agriculture, Cooperation & Farmers Welfare. A separate Ministry of Cooperation was created by the Union Government vide Cabinet Secretariat's Gazette Notification dated 6<sup>th</sup> July, 2021.

1.4 The Ministry is responsible to provide a separate administrative, legal and policy framework for strengthening the cooperative movement in country. Its aims to deepen co-operatives as a true people-based movement reaching up to the grassroots and develop a cooperative based economic model where each member works with a spirit to responsibility. The principal activities of the Ministry include streamlining processes for 'Ease of Doing Business' for co-operatives and enabling development of Multi-State Co-operative Societies. It lays emphasis on strengthening, bringing transparency, modernization, computerization, creating competitive cooperatives, working constantly to meet the challenge of accessibility to development for every underprivileged in rural areas and on connecting every village with cooperatives, making every village prosperous with the mantra of "*Sahakar se Samriddhi*" and through this making the country prosperous.

### **Vision of the Ministry of Cooperation**

1.5 The main mandate of the Ministry is realization of vision 'Cooperation to Prosperity' (*Sahakar se Samriddhi*), strengthening of cooperative movement in the country & deepening its reach up to the grassroots, promotion of cooperative-based economic development model and creation of appropriate policy, legal and institutional framework to help cooperatives realize their potential. The Ministry is making intensive efforts to carry out the above mandate in a time bound manner. The Ministry recognizes 7 universally accepted Cooperative Principles:-

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

The Ministry is also guided by the *Panch Pran* (5 vows) of *Amrit Kaal*:-

1. Goal of Developed India
2. Remove any trace of colonial mindset
3. Take pride in our roots
4. Unity
5. Sense of duty among the citizens

### **Mandate of the Ministry of Cooperation**

1.6 The Mandate of the Ministry as contained in the Gazette Notification dated 6<sup>th</sup> July, 2021 issued for creation of this Ministry are as follows:

1. General Policy in the field of Co-operation and Co-ordination of co-operation activities in all sectors,
2. Realization of vision “from cooperation to prosperity”,
3. Strengthening of cooperative movement in the country and deepening its reach up to the grassroots,
4. Promotion of cooperative-based economic development model, including the spirit of responsibility among its members to develop the country,
5. Creation of appropriate policy, legal and institutional framework to help cooperatives realize their potential,
6. Matters relating to National Co-operative Organization,

7. National Co-operative Development Corporation,
8. Incorporation, regulation and winding up of Co-operative societies with objects not confined to one State including administration of 'the Multi-State Co-operative Societies Act, 2002 (39 of 2002)',
9. Training of personnel of co-operative departments and co-operative institutions (including education of members, office bearers and non-officials).

### **Demands for Grants (2025-26)**

1.7 The Detailed Demands for Grants (2025-26) of the Ministry of Cooperation as provided in Demand No.16 pertaining to the Ministry has been presented to the Parliament on 11<sup>th</sup>February, 2025. The Budget Estimates (BE) of the Ministry of Cooperation for the year 2025-26 is Rs.1186.29Crore. The Committee have examined, in-depth, the Demands for Grants of the Ministry for the year 2025-26 and the details are given in succeeding Chapters of the Report. The Observations / Recommendations of the Committee are presented at the end of the Report. The Committee expect the Ministry of Cooperation to take the Committee's observations / recommendations seriously and act on them expeditiously and furnish Action Taken Replies in respect of the observations / recommendations made in the Report within three months from the date of presentation of this Report.

## CHAPTER-II

### STRATEGIES AND INITIATIVES TO STRENGTHEN THE COOPERATIVES

2.1 The cooperative movement in India is not uniformly distributed across the country, with differences in outreach and distribution at the state and regional levels. Many States still lack their own cooperation policies, and certain States have multiple Cooperative Acts. To promote the nation's cooperative movement, the regulatory framework must consider the coverage and enforcement measures of the various Acts and strengthen them.

2.2 There are more than 1 lakh PACS in the country with which around 13 Crore small and marginal farmers are directly associated. They serve as the foundation of the rural cooperative ecosystem, fulfilling basic short-term and medium-term credit and other *agri*-input related needs of the farmer members. It is, therefore, imperative to focus on transforming them into sustainable and vibrant economic entities, capable of serving the varied needs of rural masses.

2.3 Given the wide network and deep reach, these primary level cooperative societies can serve as the perfect medium to take various initiatives of the Central and State Governments up to the last mile. If strengthened at the grassroots level, they have the capacity to bring in positive changes in the entire rural landscape, from agriculture to healthcare to water supply benefiting both producers and consumers.

2.4 The Ministry of Cooperation has implemented the following initiatives to fortify PACS at the grassroots level:

#### ***Computerization of Primary Agricultural Credit Societies (PACS)***

2.5 The Government of India has approved a project for Computerization of 63,000 functional PACS with a total financial outlay of ₹2,516 Crore, which entails bringing all the functional PACS onto an ERP (Enterprise Resource Planning) based common national software, linking them with NABARD through State Cooperative Banks (St.CBs) and District Central Cooperative Banks (DCCBs).

2.6 The Computerization of PACS will help in improving the operational efficiency of PACS, ensuring speedy disbursement of loans, lowering of transaction costs and

increasing transparency. Additionally, it will increase farmers' trustworthiness in PACS operations. By standardizing procedures and bringing uniformity in business conduct, the implementation of the Common Accounting System (CAS) and Management Information System (MIS) would allow PACS to conduct its operations. It would not only further the financial inclusion but would also strengthen service delivery to farmers, especially the small and marginal ones.

2.7 The NABARD has already developed the software, which has various modules as part of Common accounting system, including Banking, External Integration/ Interfaces, CBS Integration, Financial accounting and Tax, Administration and Governance, Regulation, etc. Further, it is customizable for State-specific needs to capture data on all functionalities of the PACS, both credit and non-credit including system software with disaster recovery features. This comprehensive ERP software solution covers various aspects, including membership, financial services, deposits, loans, audit, procurement, processing units, PDS, business planning, warehousing, merchandising, borrowings, asset management, etc. with cyber security.

2.8 During the evidence meeting, the Secretary informed that the Ministry would computerize about 80,000 PACS and the working relating to computerization have almost been completed in respect of 70% PACS and the remaining PACS would also be onboarded by the end of this year. Thereafter their training would be held for next 02 years.

### **Model Bye-laws for Primary Agricultural Credit Societies (PACS)**

2.9 The India has over 1 *Lakh* Primary Agricultural Credit Societies (PACS), which are the lowest level of the Short-Term Cooperative Credit (STCC) structure and play a vital role in the advancement of the rural economy. PACS offer short-term and medium-term credit as well as other services to member farmers, including the distribution of fertilizers, seeds, pesticides, and storage facilities, etc. Currently, PACS are governed by different State Cooperative Societies Acts with varying provisions. Several factors contribute to the decline or non-functionality of PACS, such as organizational weaknesses, inefficient management, inadequate lending resources, and insufficient income from short-term loans to sustain them financially.

2.10 In order to improve the viability of Primary Agricultural Credit Societies (PACS) and diversify their business activities to transform them into vibrant economic entities at *Panchayat/Village* level, Model Bye-laws have been framed by the Ministry of Cooperation. These Model Bye-laws have been adopted by 32 States/UTs or their existing by-laws are in line with Model By-laws.

2.11 The Model Bye-laws will enable PACS to diversify their business activities by undertaking more than 25 business activities, including dairy, fishery, floriculture, setting up godowns, procurement of foodgrains, fertilizers, seeds, LPG/CNG/Petrol/Diesel distributorship, short-term & long-term credit, custom hiring centers, Fair Price Shops (FPS), community irrigation, Business Correspondent activities, Common Service Centre, etc. Provisions have also been made to make the membership of PACS more inclusive and broad-based, giving adequate representation to women and Scheduled Castes/Schedules Tribes.

2.12 By adopting Model Bye-laws, PACS would be able to serve as multi-service centers, improve their operational efficiency, transparency and accountability and provide agricultural credit and various non-credit services, etc. in rural areas. The Model Bye-laws will also help farmers in getting short-term, medium-term and long-term credit and other services such as fertilizers, seeds, pesticides, storage facilities, banking services, etc. at one stop for meeting their varied needs. Farmers will also be able to obtain benefits of social security schemes, micro insurance, more than 300 e-services of CSC, etc. Through diversification of business activities, Model Bye-laws will also enable farmers to get additional and stable sources of income.

2.13 During the evidence meeting, the Secretary informed that the purpose behind framing of model bye-laws was to strengthening the PACS and to remove their deficiencies and problems. Earlier the PACS were only involved in selling fertilizers and pesticides and to provide short-term loan to the farmers and if they wanted to engage any other business activity they had to approach the DR for seeking approval. With these Model Bye-laws, the PACS have got the power to engage in more than 25 different business and service providing activities.

### **PACS as Common Service Centers (CSC)**

2.14 The Ministry of Cooperation had signed a Memorandum of Understanding (MoU) with the Ministry of Electronics and Information Technology, NABARD and CSC e-Governance Services India Limited on 02.02.2023 to enable the Primary Agricultural Credit Societies PACS to deliver the services being provided by Common Service Centers (CSCs) to citizens across the country. The PACS are 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 *DigiSeva* 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.

2.15 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.

### **PACS under FPO Scheme of Department of Agriculture & Farmers Welfare**

2.16 The National Cooperative Development Corporation (NCDC) is an Implementing Agency (IA) under the Central Sector Scheme, "Formation and Promotion of 10,000 Farmer Producer Organizations", initiated in July, 2020. The NCDC has been allocated a target for the formation and promotion of 500 FPOs during the reference allotment year 2020-21. In addition, 29 organic FPOs have also been allocated to the NCDC from the Integrated Nutrient Management (INM) division of DA&FW. During the reference allotment year 2022-23, additional target for formation and promotion of 234 FPOs was allocated to the NCDC. Against this, 695 FPOs have been registered under the Cooperative Act, till 31.03.2024. Under the FPO Scheme, financial assistance of Rs.33 *Lakhs* is provided to each FPO. Further, financial assistance of Rs.25 *Lakhs* per FPO is provided to the cluster-based business Organizations (CBBO).



2.17 Further, on the initiative of the Ministry of Cooperation, Ministry of Agriculture and Farmers' Welfare allocated additional 1100 FPOs in the cooperative sector through strengthening of PACS under the scheme. Till 31.03.2024, 701 PACS have been selected, out of which 100 have already been registered as FPO and application for registration of a further 154 PACS was under submission. The NCDC has disbursed approx. Rs.90 Crores till 31.03.2024 to FPOs/CBBOs under the scheme.

### **World's Largest Grain Storage Plan in Cooperative Sector**

2.18 In order to address the shortage of storage capacity for food grains in the Country, the Government, on 31<sup>st</sup> May, 2023, has approved the Plan for the "World's Largest Grain Storage Plan in Cooperative Sector". The Pilot Project has been inaugurated in 11 PACS in 11 States and foundation stones for construction of godowns in 500 additional PACS have been laid.

2.19 The plan entails creation of various Agri-infrastructure including godowns, custom hiring centers, grain procurement centres, common processing units, Fair Price Shops, etc. at the PACS level 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'. Establishment of decentralized storage capacity at PACS level would reduce food grain wastage by creating sufficient storage capacity, strengthen food security of the country, prevent distress sale of crops and enable farmers to realise better prices for their crops. Since PACS would be operating as procurement Centre as well as Fair Price Shops (FPS), the cost incurred in transportation of foodgrains to procurement centres and again transporting the stocks back from warehouses to FPS would also be saved.

2.20 An MoU has been signed between the Ministry of Cooperation, Department of Food and Public Distribution, Food Corporation of India (FCI) and National Cooperative Development Corporation (NCDC) to ensure full capacity utilization of the storage capacity being created at PACS level under the Project.

2.21 In order to facilitate NCCF in carrying out construction of warehouses at PACS level under the Project and also hiring of these warehouses, a MoU has been

signed between the Ministry of Cooperation, Department of Consumer Affairs, NABARD, NCDC and NCCF.

2.22 Moreover, in order to scale up the implementation of the Plan, NCDC has also onboarded National Buildings Construction Corporation India Ltd. (NBCC) by signing an MoU with it and NABARD for providing Project Management Consultancy (PMC) services and assisting in construction of warehouses, providing technical assistance, coordinating with PACS and other stakeholders, etc.

**PACS to operate *Pradhan Mantri Bhartiya Janaushadhi Kendra* ( PMBJK) and *Pradhan Mantri Kisan Samriddhi Kendras* (PMKSKs)**

2.23 (i) The PACS have been allowed to open *Pradhan Mantri Bhartiya Janaushadhi Kendra* (PMBJK) and these Kendras will be able to provide generic medicines at affordable prices, which are 50%-90% less than that of branded medicines in the open market, to rural citizens. The *Jan Aushadhi Kendras* provide around 2047 drugs and 300 medical devices at reasonable prices. So far, 4,692 PACS from 34 States/UTs have applied for the scheme, out of which 2,648 PACS have been given initial approval by Pharmaceuticals & Medical Devices Bureau of India (PMBI). Drug licenses have been granted to 584 PACS from 24 States/UTs, and store codes have been issued to 465 PACS by PMBI.

(ii) Similarly, the PACS have also been allowed to function as fertilizer distributors, upgrade them to *Pradhan Mantri Kisan Samridhi Kendra* (PMKSK) and employ them as drone entrepreneurs. The aim of the *Pradhan Mantri Kisan Samriddhi Kendras* (PMKSKs) initiative is to convert existing fertilizer retail shops into Model Fertilizer Retail Shops which will act as "One Stop Shop" for

- (i) Providing quality Agri-inputs-fertilizers, seeds, and pesticides at reasonable prices under one roof
- (ii) Providing Soil/Seed testing facilities
- (iii) Ensuring availability of small & large farm implements through sale or custom
- (iv) Hiring centres
- (v) Ensuring regular capacity building of retailers at block/district level outlets

All PACS having fertilizer licenses are being targeted to be upgraded as PMKSKs and so far, 36,497 PACS are functioning as the PMKSK.

### ***PACS to carry out O&M of Rural Piped Water Supply Scheme(PWS)***

2.24 *Jal Jeevan* Mission (JJM) was launched to provide Functional Household Tap Connection (FHTC) to every rural household by 2024. Phenomenal progress has since been made with the concerted efforts of States and UTs, resulting in increase in coverage from 16.64% to 64.36% households. The focus under the JJM is on water service delivery to the households on a sustainable and long-term basis, rather than merely creation of infrastructure. Accordingly, States/UTs were requested to put in place a comprehensive policy for the operation and maintenance (O&M) of the piped water supply schemes (PWS) in rural areas. Considering the deep grassroots-level community connect of PACS in rural areas, a decision has been taken to allow PACS for carrying out Operation and Maintenance (O&M) of piped water supply schemes in rural areas under National *Jal Jeevan* Mission (JJM). All the States/UTs are to identify at least 5 PACS from 5 Panchayats in every District for providing O&M of this important scheme. So far, 943 PACS have been identified by 12 States/ UTs for the initiative.

### ***PACS made eligible for LPG Distributorship***

2.25 The Ministry of Cooperation is working with a strong commitment to increase the business activities of PACS. Making PACS eligible for LPG distributorship is an important step in this direction. On the initiative of the Ministry of Cooperation, the Ministry of Petroleum & Natural Gas have amended its rules to make the PACS eligible for LPG distributorship. Guidelines have been issued by the Ministry of Petroleum & Natural Gas for obtaining LPG distributorship applications by PACS. This will give PACS an option to increase their economic activities and create new employment opportunities in rural areas. So far, from Jharkhand State / Union Territories, a total of 2 PACS have submitted online applications under CC category as there are no advertisements.

### ***Priority to PACS for new Petrol/Diesel Pump dealerships***

2.26 In order to expand the area of activities undertaken by PACS, thereby making them financially strong and sustainable, Ministry of Cooperation took up the matter with Ministry of Petroleum & Natural Gas to enable PACS to run retail petrol/

diesel outlets like other commercial entities. Accordingly, through suitable revisions in the guidelines done by Mo PNG, PACS are being given priority in new Retail Petrol/Diesel pump dealerships under the Combined Category-2 (CC-2). The Oil Marketing Companies issued advertisements for PACS to apply online for Retail Petrol/ Diesel Outlets. This initiative will not enable PACS to increase their profits through diversification of their business activities, but would also create new employment opportunities in rural areas, thus leading to multiplier effects in the rural economy. As per information received from Oil Marketing Companies (OMCs), a total of 240 PACS applied online for retail petrol/diesel outlets, out of which 26 PACS have been selected by OMCs.

### **PACS given permission to convert bulk consumer petrol pumps into retail outlets**

2.27 The PACS operating wholesale petrol/ diesel consumer pumps were facing losses as Oil Marketing Companies were charging higher prices for the Petrol/Diesel sold at bulk consumer pumps than at retail outlets. Representations in this regard were also received by the Ministry from various States, including Gujarat, Punjab, Telangana.

2.28 Taking cognizance of the issues being faced by PACS, the matter was taken up by the Ministry of Cooperation with Ministry of Petroleum & Natural Gas. Accordingly, the Ministry of Petroleum and Natural Gas issued guidelines to convert the existing bulk consumer licensee PACS into retail outlets. A one-time option has been given to PACS for converting their existing bulk consumer licenses into retail outlets.

2.29 As per the information received from OMCs, a total of 109 PACS from 4 States having wholesale consumer pumps have given consent for conversion into Retail Outlets, out of which 43 PACS have received the Letter of Intent (LOI) from the OMCs.

### ***Converging various GoI Schemes for Strengthening Cooperatives***

2.30 In line with the vision of “*Sahakar se Samriddhi*”, numerous initiatives have been taken by the Ministry of Cooperation to strengthen PACS and other primary-level cooperative societies through various channels, including the diversification of their business activities. In this regard, the ‘whole-of-government’ approach has been followed

to enable PACS to realize their full potential by taking advantage of various existing schemes of the Government of India.

2.31 By availing the financial assistance available under these GOI schemes in the form of subsidies, interest subvention, etc., PACS/Dairy/Fishery Cooperative Societies have been enabled to undertake various activities, including construction of storage infrastructure, processing units, custom hiring centers, milk processing facilities, installation of milk cooling chambers, milk testing laboratories, hatcheries, fishponds, fish processing units, fish feed plants, etc.

2.32 The following schemes have been identified for strengthening the Cooperative Movement in the country:

(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 foodgrains under the National Food Security Act,
- ii. Procurement operations at Minimum Support Price

(d) **Department of Animal Husbandry and Dairying**

- i. National Programme for Dairy Development(NPDD)
- ii. Dairy Processing & Infrastructure Development Fund (DIDF)

(e) **Department of Fisheries**

- i. *Pradhan Mantri Matsya Sampada Yojana* (PMMSY)
- ii. Fisheries and Aquaculture Infrastructure Development(FIDF)

### **Setting up MPACS or Primary Dairy/ Fisheries Cooperative Societies in each uncovered Panchayat**

2.33 There are more than one Lakh PACS with over 13 Crore farmers as members, around 1,42,000 primary dairy cooperative societies, and around 25,000 primary fishery cooperative societies. However, their spread across the country is uneven, with many *Panchayats* without any PACS and primary dairy cooperatives. Accordingly, a Plan was approved which envisages establishment of new multipurpose PACS or primary dairy/ fishery cooperative societies in the uncovered *Panchayat*, through convergence of various GOI schemes. This plan is being implemented by NCDC in collaboration with NABARD, NDDB, NFDB, National Level Cooperative Federations and State Governments.

2.34 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 the necessary infrastructure for diversifying their business activities, such as 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.

2.35 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.

2.36 As per the National Cooperative Database (as on 31.03.2024), a total of 6,300 new multipurpose PACS/Dairy/Fisheries Cooperative Societies have been formed across the country since the Cabinet Approval on 15.2.2023. With the support of NABARD, NDDB, NFDB and NCDC, a plan is being prepared for formation and strengthening of new Cooperative societies by converging various existing schemes/ initiatives, under which all the identified schemes are to be implemented at the level of

societies including new societies through State Government/ NABARD/ NDDDB/ NFDB/ NCDC.

## **WHITE REVOLUTION 2.0**

2.37 The cooperative led “White Revolution 2.0” is aimed at expanding cooperative coverage, employment generation, and women’s empowerment with an objective “to increase the milk procurement of dairy cooperatives by 50% from the present level over the next five years by providing market access to dairy farmers in uncovered areas and increasing the share of dairy cooperatives in organised sector. To achieve the objective envisaged under White Revolution 2.0, cooperative milk procurement is required to increase by about 9 per cent per annum as against the present annual growth of 6 per cent and setting up of viable dairy cooperatives in each uncovered *Panchayat/Village* and strengthening the existing PACS/dairy cooperative societies.

2.38 On being asked to provide the details and implementation aspects of the Ministry to bring in a new Scheme to usher in the White Revolution 2.0 by involving the Multipurpose Primary Agricultural Credit Cooperative Societies (MPACSS) for initiating dairy activities through the agency of National Dairy Development Board (NDDDB), the Ministry informed *inter alia* that in consonance with the White Revolution 2.0, to initiate milk procurement activities as an additional income generating activity in PACS/ MPACS, the NDDDB has decided to provide financial and technical support to them through its scheme. Under the scheme, 1000 MPACS will be provided a grant of Rs.40,000/- each for procuring basic milk procurement and testing equipment. The scheme will be implemented through Dairy Cooperative Institutions across the country and the total outlay of the scheme will be Rs. 4.00 Crore, which will be financed through the NDDDB's fund. The NDDDB has started receiving expression of interests from various States for availing benefit under the scheme and the targets achieved in this scheme will be subsumed in the White Revolution 2.0.

2.39 When further asked as to how the newly formed Dairying Cooperative Societies are planning to be roped in across the country to maximize the success of the White Revolution 2.0 and if so what are the efforts being made in this regard, the Ministry informed *inter alia* that an initiative to usher Cooperative-led “White Revolution 2.0”

aimed at expanding cooperative coverage, employment generation and women's empowerment has been launched.

The White Revolution 2.0 would involve following activities:

- (i) Setting up and strengthening of around 1,20,000 new/existing Dairy Cooperative Societies (DCS)/Multipurpose-DCS (M-DCS)/Multipurpose-PACS (M-PACS).
- (ii) Linking these cooperatives with milk routes either by expansion of existing milk routes or by creating new milk routes.
- (iii) Providing enabling infrastructure e.g. Automatic Milk Collection Units, Data Processing Milk Collection Units, testing equipment, Bulk Milk Coolers, etc., as per the requirement, for carrying out dairy activities.

Outcome of the White Revolution 2.0 after 5 years may be as follows:

- (i) 75,000 new M-DCS will be set up.
- (ii) 46,422 existing village-level DCS/M-PACS will be strengthened.
- (iii) The milk procurement by cooperatives would be increased by 50%.
- (iv) It will provide market access to smallholder dairy farmers while ensuring fair and remunerative prices.
- (v) It will help in furthering the network of primary dairy cooperatives and help strengthening the entire milk value chain including milk procurement, testing, chilling, logistics and processing infrastructure.
- (vi) Women being an important stakeholder in dairy, greater emphasis on having women as members.
- (vii) Enhanced procurement would help in increasing the share of organized sector in dairy industry which is still dominated by the unorganised sector. This will help in ensuring food safety & quality control and increased availability of fresh and hygienic milk & milk products.



- (viii) The initiatives will help in developing the sector and increasing milk production to meet the domestic demand and also tap the export potential.

2.40 The activities envisaged under White Revolution 2.0 would be funded under the proposed National Dairy Development Program 2.0 (NPDD 2.0) of the Department of Animal Husbandry & Dairying, Government of India and the said programme will be implemented as per guidelines issued by the Department of Animal Husbandry & Dairying. The progress made so far are as per the details given below :-

- i. The SOP for White Revolution 2.0 was launched on 19.09.2024.
- ii. The White Revolution 2.0 with 6,600 newly set up Dairy Cooperative Societies was inaugurated on 25.12.2024
- iii. Upto 17<sup>th</sup> January, 2025, 8,154 Dairy Cooperative Societies have been registered in 27 states/UTs.

## **CHAPTER-III**

### ***NATIONAL COOPERATIVE DATABASE***

3.1 With India boasting nearly a quarter of the World's cooperative societies, there arose a pressing need to establish a robust and current database that could comprehensively capture essential information about their operations, membership, and financial activities. The Ministry of Cooperation, driven by the vision "*Sahakar se Samriddhi*" initiative, embarked on the development of a National Cooperative Database in collaboration with State Governments, National Cooperative Federations, relevant institutions, and stakeholders at various levels, ranging from primary entities to apex bodies. The National Cooperative Database was launched on 08.03.2024.

3.2 The development of the National Cooperative Database (NCD) signifies a collaborative approach, engaging key players across different levels of governance and cooperative structures. The overarching objective is to create an interconnected network, ensuring that every village is linked with cooperatives. This decentralized approach to economic development aligns with the broader aspiration of achieving prosperity through cooperative synergy. In essence, this initiative seeks to empower the cooperative sector by collecting a comprehensive array of data, encompassing details about activities, membership, and financial metrics. The success of this undertaking hinges on effective collaboration, accurate data collection, and the strategic utilization of the database for informed decision-making and policy formulation.

3.3 During the evidence meeting of the Committee, the Secretary informed that this National Cooperative Database has all the relevant information as to how many cooperative societies are operating in the country, where are they situated and what are they doing and how many persons are their members. He further informed that there are many villages where there is no cooperative society or are not in good shape be it fisheries cooperative or primary agricultural credit society. This data base would help in identifying such issues for taking remedial and corrective measures.

#### ***Objective behind setting up of National Cooperative Database***

3.4 The objective of developing the National Cooperative Database is to establish a centralized repository that offers a singular access point for authentic and up-to-date

information on approximately 8 Lakh cooperatives spanning various sectors throughout the country. The database aims to comprehensively capture data on diverse parameters associated with cooperatives, including:

- i. Location Details: Providing information on the geographical locations where cooperatives are operating.
- ii. Number of Members: Documenting the size of cooperative memberships to understand their scale and reach.
- iii. Economic Activities: Describing the nature of economic activities undertaken by each cooperative.
- iv. Upward and Downward Linkages: Analyzing the connections and relationships between different levels of cooperatives, both upstream and downstream.
- v. Level of Operations: Assessing the extent and scope of the cooperative's activities and influence.
- vi. Use of Information and Communication Technology (ICT): Identifying the adoption and integration of modern technologies within the cooperative structure.
- vii. Employment: Recording data on the number of individuals employed by each cooperative.
- viii. Inputs and Outputs: Detailing the resources and products involved in cooperative operations.
- ix. Financial and Non-Financial Transactions: Tracking monetary and non-monetary transactions within and involving cooperatives.
- x. Assets and Liabilities: Documenting the resources owned and the financial obligations of each cooperative.

3.5 By collecting and organizing this diverse set of information, the National Cooperative Database aims to serve as a valuable resource for policy makers, researchers, and stakeholders. This centralized repository can facilitate informed decision-making, policy formulation, and research in the cooperative sector by providing a holistic view of the cooperative landscape in the country. It also contributes to transparency, accountability, and efficiency within the cooperative ecosystem by ensuring that the data is authentic, updated, and easily accessible to those who need it.

## Overview of the National Cooperative Database

3.6 The National Cooperative Database (NCD) stands as a dynamic, web-based platform meticulously crafted to compile comprehensive information on registered Cooperative Societies sourced from States/UTs and District Registrar offices. This encompassing database not only includes details about Cooperative Societies but also extends its reach to Federations and Cooperative Banks across diverse sectors.

3.7 At its core, the NCD serves as an innovative initiative, fostering an efficient information and communication channel connecting the Central Ministry, all States/UTs, and Cooperative Societies. This initiative proves invaluable for all stakeholders engaged in the cooperative domain. The NCD portal serves as a vital repository, offering essential contact details, including names, addresses, phone numbers and e-mails for all registered societies. This facilitates seamless communication between Government entities and the societies.

### ***Benefits of Database***

3.8 The National Cooperative Database (NCD) offers a myriad of benefits that contribute to the efficiency and effectiveness of the cooperative sector. Here are the key advantages:

- a) **Single Point Access:** The NCD serves as a centralized platform providing seamless access to information on approximately 8 *Lakh* Cooperative Societies, streamlining the retrieval of data from a diverse range of sources.
- b) **Comprehensive and Updated Data:** The NCD stands as a reliable repository, offering comprehensive, authentic, and regularly updated data. This ensures that users have access to the latest and most accurate information regarding Cooperative Societies.
- c) **User-Friendly Interface:** The NCD is designed with a user-friendly interface, facilitating easy navigation and operation. This user-centric design enhances accessibility, making it a convenient tool for a wide range of users.

- d) **Vertical and Horizontal Linkages:** The database provides insights into both vertical and horizontal linkages among cooperatives, offering valuable information about the interconnectedness of these entities within the cooperative ecosystem.
- e) **Query-Based Reports and Graphs:** Users benefit from the ability to generate query-based reports and graphs. This feature allows for customized data analysis, empowering stakeholders to derive meaningful insights from the available information.
- f) **Management Information System (MIS) Reports:** The NCD goes beyond raw data, offering Management Information System (MIS) reports. These reports provide a structured and organized view of data, facilitating strategic decision-making within the cooperative domain.
- g) **Data Analytics:** With a focus on data-driven decision-making, the NCD incorporates data analytics tools. This enables users to analyze trends, patterns, and performance metrics, fostering a deeper understanding of the cooperative landscape.
- h) **Geographical Mapping:** The NCD includes maps that visually represent the geographical spread of Cooperative Societies. This feature aids in identifying coverage gaps in Gram *Panchayats* and Villages offering valuable insights for targeted interventions and planning.

3.9 The NCD stands as a versatile and powerful tool, empowering stakeholders with a wealth of information and analytical capabilities, thereby enhancing the overall functionality and governance of Cooperative Societies.

#### ***Organizational Structure for Developing Cooperative Database***

- (i) A Steering Committee under the Chairmanship of Additional Secretary (Coop) & CRCS was constituted for monitoring of progress and implementation of strategy for the development of the National

Cooperative Database. The members of the Committee are from MOC, PMG, NCDC (LINAC), NCUI and AICTE.

- (ii) An Advisory Committee under the Chairmanship of the Additional Secretary (Coop) & CRCS was constituted to get inputs from various stakeholders such as State RCS, National Cooperative Federations, and Statutory Bodies (NABARD, NDDB, NFDB).
- (iii) Project Management Group (PMG) was set up under the Chief Project Officer and Ex-DDG (NIC) who is responsible for architecting the National Cooperative Database. NCD-PMG has designed and developed the software solution and supporting its implementation across States.

#### ***Activities & Funding of NCD***

- (i) Development of sector-specific Web Forms by software development team for collecting data from Primary to Apex cooperative society.
- (ii) Exhaustive repeated training for Data Entry Operators (DEOs) and Nodal Officers at the District level.
- (iii) Collection of data from District Registrar Offices of State RCS and functional registrars in different sectors through interns/ DEOs.
- (iv) Developed a module for District Nodal Officers to verify and correct records submitted by field officials, including a certification process for completed entries.
- (v) Cross-validation of data from State RCS, St.CB, DCCB, NABARD, NDDB, NFDB, NABSCOB, NCDFI & FISHCOFED.
- (vi) Documentation of software application & technical flows, standardization of Master code, user manual, and training manual.
- (vii) Created an Analytical Dashboard with MIS Reports, Graphical presentations, and GIS Maps for visualizing coverage across different

Cooperatives. Implemented Query Reports and User Management Module for multi-level user access.

- (viii) Funding for the National Cooperative Database's hardware, software, IT professionals, interns, and DEOs is sourced from the Cooperative Education Fund (CEF).

### ***Phases of National Cooperative Database***

- (i) Phase-I of National Cooperative Database: Under Phase-I, the mapping of about 2.64 Lakh primary cooperative societies of three sectors i.e., Primary Agriculture Credit Societies (PACS-1,03,557), Dairy (1,41,456), and Fisheries (25,591) was completed in February, 2023. Under this phase, in addition to the staff at district registrar offices around 500 local interns enrolled on the portal of All India Council for Technical Education (AICTE) were onboarded for data entries at District Registrar Offices.
- (ii) Phase-II of National Cooperative Database: Under Phase-II, Mapping of National Cooperative Societies/Federations along with their General Body Members was completed. Further, their downward linkages with State Federations, District Unions, and Primary Cooperative were also established. The data related to State Cooperative Banks (St.CBs), District Central Cooperative Banks (DCCBs), Urban Cooperative Banks (UCBs), State Cooperative Agriculture and Rural Development Banks (SCARDBs), Primary Cooperative Agriculture and Rural Development Banks (PCARDBs), Sugar Cooperative Mills, State Federations, District Unions and MSCS were collected directly from cooperative societies or through their National/State Federations.
- (iii) Phase-III of National Cooperative Database: Under Phase-III, the Ministry of Cooperation initiated the process of extending the National Cooperative Database to remaining more than 5.3 Lakh cooperative societies working in all other sectors in May 2023, through the Office of RCSs of States/UTs. Almost all States/UTs have completed data entries under the National Cooperative Database.

### ***Linkage with other Databases***

3.10 A central project is under formulation for the automation of cooperative registration and management processes in the offices of the Registrar of Cooperative Society of States/ UTs. The process has been initiated to have API-based linkages of the software system that is being developed for use at State and district-level registrar offices with the National Cooperative Database (NCD). This will ensure the real-time updating of data on the National Cooperative Database about registration of any new cooperative society as well as updation of other data items in respect of existing cooperative societies.

### ***Current Status***

3.11 By March 2024, the data of around 8 Lakh primary Cooperative Societies has been uploaded on the National Cooperative Database by the nodal officers of States/UTs. The total number of members engaged in these cooperative societies is more than 29 Crore. The summary of the NCD portal is tabulated as under:

<b>NCD Summary Report (as on 31.03.2024)</b>	
<b>All India Cooperatives</b>	<b>8,05,524</b>
Primary Cooperatives	8,00,673
State Coop/Federations	896
Cooperative Banks	Rural:910, Urban:1419
Multi-State Cooperatives	1607
National Coop/Federations	19

<b>State/UT-wise Number of Primary Cooperative Societies (as on 31.03.2024)</b>			
<b>Sl. No.</b>	<b>States/UTs</b>	<b>Total No. of Cooperatives</b>	<b>Total No. of Members</b>
1	Andaman and Nicobar Islands	2,215	1,44,584
2	Andhra Pradesh	17,803	95,97,143
3	Arunachal Pradesh	1,197	89,545
4	Assam	11,148	43,18,231
5	Bihar	26,640	1,59,98,540
6	Chandigarh	476	49,721
7	Chhattisgarh	9,171	47,31,974
8	Delhi	1,688	15,69,276
9	Goa	5,433	15,78,643
10	Gujarat	80,478	1,69,40,451
11	Haryana	32,466	45,64,638
12	Himachal Pradesh	5,140	18,25,892



13	Jammu and Kashmir	8,778	8,96,054
14	Jharkhand	11,455	20,93,817
15	Karnataka	43,854	3,35,01,183
16	Kerala	16,256	2,73,25,326
17	Ladakh	260	25,197
18	Lakshadweep	35	84,393
19	Madhya Pradesh	51,787	1,34,43,329
20	Maharashtra	2,21,269	5,79,73,552
21	Manipur	11,256	8,29,340
22	Meghalaya	2,656	2,40,205
23	Mizoram	1,229	49,466
24	Nagaland	8,118	3,10,933
25	Odisha	7,578	87,09,507
26	Puducherry	458	4,63,802
27	Punjab	19,061	34,34,928
28	Rajasthan	35,942	1,10,75,332
29	Sikkim	3,793	1,16,193
30	Tamil Nadu	21,165	2,39,34,636
31	Telangana	60,112	1,43,00,725
32	Dadra and Nagar Haveli and Daman and Diu	530	46,633
33	Tripura	3,142	5,11,559
34	Uttar Pradesh	41,558	1,93,11,868
35	Uttarakhand	5,318	16,01,973
36	West Bengal	31,208	95,91,686
	<b>Total</b>	<b>8,00,673</b>	<b>29,12,80,275</b>

<b>Sector-wise Number of Primary Cooperative Societies (ason 31.03.2024)</b>			
<b>Sl. No.</b>	<b>Sectors</b>	<b>Total No. of Cooperatives</b>	<b>Total No. of Members</b>
1	Agriculture & Allied Cooperative	26,798	98,36,270
2	Agro-Processing/Industrial Cooperative	22,735	25,31,349
3	Bee Farming Cooperative	290	38,181
4	Consumer Cooperative	21,067	63,75,920
5	Credit & Thrift Society	80,330	4,32,75,731
6	Dairy Cooperative	1,41,807	1,56,87,794
7	Educational & Training Cooperatives	401	78,717
8	Fishery Cooperative	25,649	46,74,279
9	Handicraft Cooperative	5,076	3,69,840
10	Handloom Textile & Weavers Cooperative	19,576	51,56,723

11	Housing Cooperative Society	1,91,734	1,46,65,027
12	Jute and Coir Cooperative	57	5,755
13	Labour Cooperative	44,545	14,91,300
14	Livestock & Poultry Cooperative	16,677	13,39,349
15	Marketing Cooperative Society	9,121	45,90,611
16	Miscellaneous Credit Cooperative Society	5,830	89,19,537
17	Miscellaneous Non-Credit	30,660	25,05,838
18	Multi-purpose Cooperative	20,397	25,82,130
19	Primary Agricultural Credit Society (PACS/FSS/LAMPS)	1,03,304	13,99,27,330
20	Sericulture Cooperative	499	67,149
21	Social Welfare & Cultural Cooperative	2,069	2,91,308
22	Sugar Mills Cooperative	281	47,83,246
23	Tourism Cooperative	479	2,80,400
24	Transport Cooperative	4,175	7,04,336
25	Tribal-SC/ST Cooperative	1,521	10,33,894
26	Urban Cooperative Bank (UCB)	1,334	1,46,46,837
27	Women Welfare Cooperative Society	24,261	54,21,424
	<b>Total</b>	<b>8,00,673</b>	<b>29,12,80,275</b>

3.12 To the query raised by a Member during the evidence sitting as to how the Members of Parliament could acquaint themselves about the information hosted on the National Cooperative Database, the Secretary informed that the National Cooperative Database (NCD) can be accessed at URL: <https://cooperatives.gov.in> without requiring any login credentials. Still, if any request is received in the Ministry for conducting such orientation programme, the Ministry may organize such programmes as required for acquainting the stakeholders including Members of Parliament, Members of Legislative Assemblies and *Panchayats* with the National Cooperative Database and to enhance their support in strengthening the functioning of cooperative societies within their respective areas.

**CHAPTER-IV**  
**DEMANDS FOR GRANTS OF MINISTRY OF COOPERATION FOR 2025-26**

**I. EVALUATION**

4.1 The data on Total Allocations and Expenditure of the Ministry of Cooperation are as given below:

**(Rs. In Crore)**

Year	Allocation proposed by the Ministry	Allocation by the M/o Finance at BE	Percentage increase at BE stage over the previous FY	Allocation by the M/o Finance at RE	Expenditure made by the Dept	Excess/ Shortfall
2022-23	900.00	900.00	NA*	1624.74	1636.52	+ 11.78
2023-24	1945.60	1150.38	27.82%	747.84	688.88	- 58.96
2024-25	519.20	1183.39	2.86%	749.78	573 (approx.) (as on 14.02.2025)	--
2025-26	455.78	1186.29	0.25% (approx.)			

\*The Ministry was created in the year 2021 and it got its separate budgetary allocation from the financial year 2022-23.

4.2 With regard to the observation that the Ministry have been given increased budgetary allocation at BE stage in every financial year, however, the BE was reduced significantly at the RE stage both during the 2023-24 and 2024-25 and also that the actuals spent during these two financial years fell short of RE allocation, the Ministry informed that being a nascent Ministry, lot of new initiatives were undertaken in financial year 2023-24 which were expected to culminate into schemes in the same financial year. Due to non-approval of some of the proposed schemes and non-usage of funds allocated under running scheme, the funds allocated in these schemes were Reduced at RE Stage and subsequently surrendered. It was further informed that the Ministry was unable to spend approx. Rs. 59 Crore out of the RE allocation of FY 2023-24 as per the following details:-

- (a) Rs. 10 Cr. (approx.) in Computerization of PACS Scheme.
- (b) Rs. 36.4 Cr (Approx) in Strengthening of Co-operatives through IT intervention Scheme.
- (c) Rs. 7.21 Cr. in Grant-in-aid Salary to Grantee Bodies.
- (d) Rs. 3.75 Cr under Establishment Expenditure of O/o CRCS.

With respect to (a) above, it was informed that due to factors such as the non-receipt of proposals for releasing funds, underutilization of funds, and non-compliance with Department of Expenditure (DoE) guidelines for subsequent installment releases, the Ministry was unable to release the allocated funds to these States.

With respect to (b) above, it was informed that due to non-readiness of the States/UTs such as non-opening, non-mapping of SNA accounts etc. and allocation of funds in the last Qtr. of FY 2023-24, the funds could not be released.

With respect to (c) above, it was informed that funds were allocated to NCCT and VAMNICOM (Grantee bodies) for payment of salaries. As the hiring of Staff could not be done by these bodies and number of vacancies remained high during the year, funds given for salary purpose could not be completely released.

With respect to (d) above, it is informed that significant funds could not be utilized under object heads salaries, allowances, Advertising and publicity and Minor civil and electrical works due to shortage of staff, a smaller number of advertising proposals and lapse of funds by CPWD.

With respect to RE 2024-25, the Ministry informed that presently against an RE of 749.78 Crore, the expenditure as on 14.02.2025 was 573 Crore (Approx.) and Ministry is making all efforts to meet its targets.

4.3 During the evidence meeting, the Secretary further clarified that Rs.125 Crore would be spent during 7 to 10 days and the maximum amount which has not been spent was in respect of computerization of PACS for which Rs.500 Crore were provided as the uptake of the States was low.

4.4 To the query about the salient features of the Demands for Grants (2025-26), new initiatives, significant enhancement or reduction in the budgetary allocation to all Schemes being implemented and the plan for creation of new institutions/assets, etc., the Ministry informed inter alia that the major feature of the allocation of Rs.1186.29 Crore for the year 2025-26 are as follows :

- (a) There has been an increase of Rs.8.89 Crore in Secretariat allocation in BE 2025-26 as compared to BE 2024-25 due to opening of two newly created Offices of Cooperative Election Authority & Cooperative Ombudsman.

- (b) There is an increase of Rs. 60 Crore in allocation under Computerization of PACS scheme in BE 2025-26 as compared to BE 2024-25 as there has been an increase in number of PACS being computerized under the Scheme. Earlier 63000 PACS were being computerized which has now increased to 79630 PACS.
- (c) A new Central Sector Scheme is being introduced in BE 2025-26 namely Grant-in-aid to the NCDC in which an allocation of Rs. 500 Crore has been made. With the availability of this grant, the NCDC will be able to mobilize funds and borrow additional funds from the open market for providing loans to the cooperative sector. The availability of loans will help cooperatives in their revival, capacity augmentation, diversification of activities, increasing their profitability and enabling them to increase their productivity and generate more employment which will improve the economic conditions of the farmer members. Loan assistance from NCDC will be provided either through the State Governments / UT Administrations or directly to the cooperatives fulfilling NCDC direct funding guidelines and criteria of applicable scheme.
- (d) Central Sector Scheme, namely, Grant-in-aid to the NCDC for Strengthening of Cooperative Sugar Mills has ended in FY 2024-25. Hence no allocation has been made in the BE 2025-26.
- (e) There is a decrease of Rs.63.96 Crore in allocation under Strengthening of Cooperatives through IT intervention Scheme in BE 2025-26.
- (f) The Ministry of Cooperation has decided to establish a national-level university in the cooperative sector, namely, "*Tribhuvan Sahkari* University" (TSU). It will be established and declared as an institution of national importance through an Act of Parliament and accordingly, a Bill, namely the *Tribhuvan Sahkari* University Bill, 2025 was introduced in Lok Sabha on 03.02.2025. This will ensure a stable supply of qualified manpower to the cooperative sector and the capacity building of employees and board members of cooperatives.

4.5 In response to the query as to how much fund has been sought by the Ministry to setup up such a National University and how it is proposed to utilize the allocated funds, the Ministry informed that Rs.500 Crore has been sought as one-time grant in the form of corpus fund for building infrastructure of the proposed university.

4.6 In reply to the query as to how much funds was proposed/sought by the Ministry for the year 2025-26 and what are the reasons for difference, if any, between funds proposed by the Ministry and funds allocated in BE, the Ministry mentioned that the Ministry had initially sought Rs.455.78 Crore for the year 2025-26. But a new Central Sector Scheme was proposed to be introduced in BE 2025-26 namely Grant-in-aid to the NCDC for which an additional amount of Rs. 500 Crore has been allocated. Further, BE of Rs.285 Crore was proposed in Computerization of PACS scheme, subsequent to which, Ministry got proposals from various states to increase the number of PACS being computerized under the scheme. The said proposal was approved by Ministry of Cooperation which led to an increase of Rs. 409 Crore (approx.) in the total outlay of the Scheme. Since, the increased PACS would require significant funds in BE 2025-26, accordingly, funds to the tune of Rs. 560 Crore were allocated in BE 2025-26 to cater to the fund requirement of the increased number of PACS.

4.7 When asked how much funds have been surrendered by the Ministry of Cooperation during the last 2 financial Years and to provide the Scheme-wise details including percentage utilization as against this Budgetary Allocation alongwith surrendering the funds, year-wise. The Ministry replied that during the F.Y. 2022-23, there was a saving of Rs. 419 Crore (Approx) and out of the said amount, there was a saving of Rs. 329 Crore under Scheme as per following details:-

Sl. No.	Name of the Scheme	BE 2022-23 (Rs. in Crore)	RE 2022-23 (Rs. in Crore)	Expenditure (Rs. in Crore)	%age utilization against BE	Reasons for non-utilization of Funds
1.	Computerization of PACS	350	511.07	495	141.4%	Surrender of Rs. 16 Crore (approx.) was made due to Non-receipt of proposal from States
2.	Integrated Scheme on Agriculture Cooperation	50	664.96	376.93	753.86%	Saving of Rs. 288 Crore (approx.) was due to unforeseen circumstances wherein grant was

						not disbursed to Telangana Sheep and Goat Development Cooperative Federation Limited in light of decision taken by the Ministry.
3.	Cooperative Training	25	25	0	0.00	Scheme could not be formed

During the FY 2023-24, there was a saving of Rs. 459 Crore (approx.) out of which a saving of Rs.416.4 Crore was made as per following details:-

Sl. No.	Name of the Scheme	BE 2023-24 (Rs. in Crore)	RE 2023-24 (Rs. in Crore)	Expenditure (Rs. in Crore)	%age utilization against BE	Reasons for non-utilization of Funds
1.	Computerization of PACS	968.24	309.09	298.81	30.86%	Surrender of Rs. 325 Crore was made due to Non-receipt of proposal from States and mandatory reduction at RE stage. Further Rs. 300 Cr. (approx.) were re-appropriated to CSISAC scheme wherein no allocation was made in BE 2023-24 and committed liability came up to the tune of Rs. 300 Crore which was paid
2.	Strengthening of Cooperatives through IT intervention	0	40.91	4.58	0.00	Saving of Rs. 36.4 Crore was due to Non-receipt of proposal from States, Non-mapping of SNA account with PFMS
3.	Cooperative Training	25	0.01	0	0.00	Scheme could not be formed
4.	Cooperative Education	30	0.01	0	0.00	Scheme could not be formed

## II. Computerization of PACS

4.8 When asked about the initial allocation sought by the Ministry for the Scheme, namely, the Computerization of Primary Agricultural Credit Cooperatives, the Ministry informed that the initial allocation sought for the scheme was Rs.2,516 Crore, with the Government of India contributing Rs.1,528 Crore, State Governments Rs.736 Crore, and NABARD Rs.252 Crore.

4.9 While pointing out that during the financial years 2023-24 and 2024-25, there was a huge increase in the allocation for the project at the RE stage, it was asked as to what were the specific reasons for such enhanced allocation at RE stage during both the years. In response, the Ministry informed that under the object head 04.00.31 during the FY 2023-24, there was no allocation at BE stage and the increase in allocation at the RE stage was due to the reallocation of funds between different expenditure heads. Initially, Rs.968.24 Crore was allocated under Major Head **3601**, but since NABARD's funds could only be released under 2425, re-appropriation of funds was made to augment the object head. In respect of FY 2024-25, it is submitted that the funds have been reduced at RE Stage from 101 Crore (approx.) to Rs.25.44 Crore as per the requirement

4.10 When asked to furnish an updated note on the implementation of the Scheme, the Ministry informed *inter alia* that computerization of PACS is a landmark project which aims to revolutionize the Rural Short-Term Loan Cooperative sector as this will help in bringing transparency and increasing the efficiency in overall short-term loan ecosystem in the rural sector. The project was approved with an outlay of about Rs.2516 Crore and the total cost to be shared under the project was as follows: Government of India – Rs.1528 Crore, States/UTs – Rs. 736 Crore and NABARD – Rs. 252 Crore. The estimated cost for computerization of 01 PACS is Rs.3,91,369/-. The Project commenced in the FY 2022-23 with a Sunset Date as 31.03.2027.

The project consists of the following components:

- (1) Software with cyber security and data storage
- (2) Hardware
- (3) Digitization of PACS with Support System via System Integrator (SI)
- (4) Training



(5) PMU and administration cost.

4.11 The software for this project “e-PACS” has been developed by the National Level PACS Software Vendor (NLPSV) M/S Intellect. Also, data migration to National Level Data Repository (NLDR) has been completed. The Hardware procurement is in advanced stage. System Integrator has been onboarded in all 30 states. NABARD is conducting training and in this regard 3000 Master Trainers have been trained. Also 39,179 PACS official training on ERP has been done by Master Trainer (MT)/ Core Master Trainer (CMT) and handholding to 16,019 PACS have been done by SI till date.

4.12 A project management unit (PMU) is already functioning since last 2 years and is supporting the States/UTs and Centre in achieving the overall target for the computerization of the PACS.

4.13 As on date, the Government of India have released a total of Rs.907.26 Crore out of this Rs.741.34 Crore have been released to the States and Rs.165.92 Cr to the NABARD. Till date Rs.697.03 Crore has been utilized, out of this Rs.566.35 Crore (out of 741.34 Crore) has been utilized by the States and Rs.130.68 Crore (out of 165.92 Crore) has been utilized by NABARD.

- **Progress of the Project (As on 11.02.2025):**
- **Hardware Delivered:62,481**
- **ERP Onboarded : 52,023**
- **Go-Live : 41,035**
- **Day-End : 33,579**
- **Funding mechanism:**

Component	Cost Sharing pattern
Comprehensive software (including cyber security and data storage) and Training	To be shared by GoI and NABARD. NABARD will contribute Rs.252.00 Ccrore (about 10% of the project cost) and the remaining will be borne by GoI.
Other Components (Hardware, Digitization and support system)	To be shared as per the extant guidelines of Centrally Sponsored Project. <ul style="list-style-type: none"><li>• Share of <b>GOI: State</b> will be <b>60:40</b>.</li></ul>

	<ul style="list-style-type: none"> <li>For North eastern and Hilly States share will be <b>90 (Gol): 10 (State)</b>.</li> <li>For UTs (without legislature) <b>100%</b> by Gol.</li> <li>For UTs (with legislature) share will be <b>80 (Gol): 20 (State)</b>.</li> </ul>
PMU and Administrative Cost	This cost will be borne by Gol upto Rs.50.00 Crore. Any additional expenditure beyond Rs.50.00 Crore, Will be borne by NABARD.

• **Overall Status of Fund Release and Utilization**

Category	Total amount to be released by GOI (Cr)	Amount released by Gol till date (Cr)	Remaining fund to be released (Cr) (B-C)	% amount released by Gol till date (C/B)	Utilization of Gol share (Cr)	% Utilization of fund as released by Gol (F/C)
A.	B.	C.	D.	E.	F.	G.
<b>States</b>	1207.21	741.34	465.86	61%	566.35	76%
<b>NABARD</b>	316.48	165.92	150.56	52%	130.68	79%
<b>Total</b>	1,523.69	907.26	616.42	60%	697.03	77%

• **Outcome of the project:**

Stage	Total approved PACS	Total (as on 11.02.2025)
A.	B.	C.
<b>ERP Onboarded</b>	67,930	52,023 (76%)
<b>Go-Live</b>	67,930	41,035 (60%)
<b>Day- End</b>	67,930	33,579 (49%)
<b>HW delivered</b>	67,930	62,481 (92%)

### III. Computerization of Agriculture and Rural Development Banks

4.14 When asked to furnish the purpose behind seeking allocation for the scheme Computerization of Agriculture and Rural Development Banks (ARDBs), the Ministry replied *inter alia* that the Computerization of ARDBs Project involves the computerization of State Cooperative Agriculture and Rural Development Banks

(SCARDBs) and Primary Cooperative Agriculture and Rural Development Banks (PCARDBs) branches across 13 States/UTs, namely Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Puducherry, Punjab, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, and West Bengal. This initiative aims to improve operational efficiency, bring uniformity in accounting practices, and enhance transparency and service delivery for around 1.2 Crore farmers. Since Jammu & Kashmir and Puducherry fall under the category of UTs with legislatures, their financial releases for hardware procurement, digitization, and support system are made from Head 3602, in alignment with the fund-sharing pattern of 80:20 (Gol: UTs with Legislature). It may be pertinent to note that the UT of Jammu and Kashmir has opted out from the project as ARDBs in the region have been deemed financially unviable based on reports from NABARD and a special audit.

4.15 When asked to provide the details of the Agriculture and Rural Development Banks in the Union Territory Governments with Legislature which have been fully computerized, the Ministry have informed that as of date, no ARDBs have been fully computerized in UTs with legislature. However, UT of Puducherry has been selected under this project and as of date 4 out of 17 units have been provided with hardware.

4.16 The Ministry was asked as to whether they have made any assessment about the internet connectivity issues in the Union Territories which may hamper or affect the smooth and seamless functioning of the ARDB after their computerization. In reply, the Ministry informed that the UT of Jammu and Kashmir has opted out from the project as ARDBs in the region have been deemed financially unviable based on reports from NABARD and a special audit. No connectivity challenges have been specifically raised by UT of Puducherry while the UT of Jammu and Kashmir has opted out from the project.

4.17 When asked to furnish the outcome of the scheme, the Ministry informed *inter alia* that Rs.3,89,630/- was released to the UT of Puducherry out of which Rs.3,06,978 has been utilized so far. The proposal for further release of central share from the UT of Puducherry is awaited. The outcome with respect to UT of Puducherry is as follows:

- (i) 4 out of 17 hardware units have been procured, delivered and installed.

- (ii) First Hand Report (FHR) and Field Verification Report (FVR) have been completed in respect of UT of Puducherry

#### IV. Printing and Publication

4.18 The Ministry was asked to furnish the data on the BE, RE and actuals for the year 2022-23 and BE and RE for the year 2023-24 for the head Printing and Publication, the Ministry furnished the following data

**(In Thousands)**

<b>Year</b>	<b>BE</b>	<b>RE</b>	<b>Actuals</b>
2022-23	9000	3660	0
2023-24	4114	500	310

4.19 When asked to justify seeking reduced allocation at the BE stage for the year 2025-26 while the allocation at the RE stage was doubled during the year 2024-25, the Ministry informed *inter alia* that the Budget sought at BE stage for FY 2025-26 was Rs.40 Lakhs which has been reduced to Rs.10 Lakhs due to significant reduction in allocation of Secretariat Expenditure by the Ministry of Finance in comparison to the demand raised by the Ministry. The actuals of FY 2024-25 at present are Rs.12,90,710/- which is higher than the BE of FY 2025-26. Therefore, it is projected that the BE 2025-26 will not suffice the requirement of the Ministry and the same would be sought to be enhanced at RE stage of FY 2025-26 to meet out the requirements of the Ministry under the object head.

4.20 On being asked to inform as to how the Ministry are planning to popularize and extend the overreach of the schemes and programmes initiated so far, it was informed that the Ministry utilize both conventional and digital media to maximize outreach and public engagement. In collaboration with PIB, it publishes articles in newspapers highlighting key achievements and developments in the cooperative sector. To enhance awareness and broaden the reach of its schemes and programs, the Ministry regularly disseminates information through its social media platforms. On significant occasions, special campaigns are launched to ensure maximum stakeholder engagement. In addition to traditional methods, the Ministry is expanding its presence on digital platforms such as *YouTube*. Video films showcasing major initiatives have been produced in Hindi, English, and regional languages and are regularly uploaded to the

Ministry's YouTube channel. Furthermore, all national-level events chaired by the Hon'ble Prime Minister and the Hon'ble Home and Cooperation Minister are live-streamed on the Ministry's YouTube channel, ensuring wider accessibility. Additionally, key updates, including press releases, news articles, and press clippings, are consistently uploaded to the Ministry's official website. To enhance accessibility, information about the Ministry's initiatives is also available on the website in vernacular languages.

**PART-II**  
**OBSERVATIONS AND RECOMMENDATIONS**

**Budgetary Allocation for 2025-26**

1. The Committee note that the Ministry of Cooperation was allocated Rs.1150 Crore at Budget Estimate (BE) stage for the year 2023-24 . The amount was reduced to Rs.747 Crore at the Revised Estimate (RE) stage. The actual amount spent stood at Rs. 689 Crore resulting in under-utilization of about Rs.59 Crore in the year 2023-24. Under utilisation and surrendering of the funds amounted to 7.7% of the RE allocation for the year. Similarly, Rs.1183 Crore was allocated at the (BE) for the year 2024-25 but it was brought down to Rs.750 Crore at the Revised Estimate (RE) stage. Out of this amount, the Ministry, however, could spend Rs.573 Crore (approx) as on 14.02.2025 representing 76% of allocations at Re stage. Further, the Ministry has also informed that they will be able to spend the remaining 24% before the end of financial year. The Committee while appreciating the utilisation of the funds more or less as per the stipulations of the Dept of Expenditure, observe that the underutilisation during 2023-24 is primarily due to non receipt of proposals for releasing funds, underutilisation of the funds disbursed due to non-readiness of the states/UTs such as non-opening/ mapping of SNA accounts, etc. The Committee while acknowledging the teething issues that may arise in the initial phases of shifting to new accounting system feel that these are transient and hope the Ministry will be able to utilise fully once the accounting systems are stabilised. The Committee, however, suggest that state Govts may be persuaded to send the funding proposals for digitisation / computerisation of PACs and strengthening of Cooperatives through IT interventions.

The Committee note that the Ministry of Finance considering the immense potential of the cooperative sector have allocated Rs.1186 Crore to the Ministry of Cooperation at the Budget Estimates for 2025-26. The Committee further note that the higher allocation compared to the previous year in BE 2025-26 as compared to BE 2024-25 is due to opening of two newly created Offices of Cooperative Election Authority and Cooperative Ombudsman. Further the higher allocations are also meant for computerization of higher number of PACS. Also a

new Central Sector Scheme is being introduced whereby the Grant-in-aid of Rs.500 Crore to the NCDC to enable it to provide loans to the Cooperatives. The Committee while hoping that the Ministry would be able to entirely use the budgetary allocation during the present financial year, also advise the Ministry to start implementing the Schemes and Programmes planned for 2025-26 at the earliest to achieve the intended objectives.

#### **Computerization of Primary Agricultural Credit Societies (PACS)**

2. The Committee acknowledge that the computerization of Primary Agricultural Credit Societies is a landmark project which aims to revolutionize the rural short term Loan Cooperative sector in India. This project helps in bringing transparency, lowering transaction costs, ensuring speedy disbursement of loans there by revolutionising the entire function of PACs. The Committee note that overall 70 % of the PACs are covered so far and the remaining PACS are expected to be covered by the end of the financial year 2024-25. The Committee suggest that proactive steps may be taken to persuade the states to send the proposals for computerisation of PACs to ensure that projects is completed as per schedule and the sector experiences the benefits of such a massive project.

#### ***Pradhan Mantri Kisan Samridhhi Kendras (PMKSK)***

3. The Committee note that with a view to make available agri-products and services at a single location in rural areas and also increase & diversify the sources of income to the farmers , the Govt has taken the initiative to transform PACS as 'Village Supermarkets' and 'One Stop Shops' known as PM *Kisan Samridhhi kendras* (PMKSKs).The PMKSKS cater to the requirements of farmers in their very neighbourhood for selling (i) products such as *agri*-inputs-fertilisers, seeds, pesticides; making available farm equipment, and for offering (ii) *agri*-services namely (a) hiring of farm labourers, (b) soil & seed testing facilities, (c) Operation and Maintenance (O&M) of Rural Piped Water Supply Scheme (PWSS); and (iv) operations of PM *Bharatiya Janaushadi Kendra* (PMBJK). Further these PMKSKs are also allowed to distribute fertilisers.

The Committee have no doubt that these initiatives will bring in transformative changes in the rural economy and help the farmers to prosper. The

Committee feel that the farmers need not go to far-away place to buy agri-inputs and agri-related services as these are made available in their neighbourhood itself. This, the Committee believe will result in reducing the cost of agriculture for the farmers, diversify the sources of income and offer more or less stable income through offering maintenance services. The Committee have no doubt that these PACS will become strong in future on the lines of organised private supermarkets giving stiff competition to the local unorganised players.

#### **Progress in operations of PACs under *PM Bharatiya Janaushadi Kendra* (PMBAK)**

4. The Committee note that PACS have been allowed to open *Pradhan Mantri Bharatiya Janaushadhi Kendra* (PMBJK) which provide generic medicines at affordable prices, which are 50%-90% less than that of branded medicines in the open market, to rural citizens. The *Jan Aushadhi Kendras* provide around 2047 drugs and 300 medical devices at reasonable prices. They further note that so far, 4,692 PACS from 34 States/UTs have applied for the scheme, out of which 2,648 PACS have been given initial approval by Pharmaceuticals & Medical Devices Bureau of India (PMBI). Drug licenses have been granted to 584 PACS from 24 States/UTs, and store codes have been issued to 465 PACS by PMBI. The afore mentioned data shows that 50 % (approx.) only of the PACs which have applied under the scheme were granted initial approval PMBI and 584 PACs only have been have been granted drug licences. The Committee while appreciating the Govt for this move, are of the view that given the huge number of PACS there exists enough scope to bring more PACS under the Scheme. The Committee accordingly suggest to take appropriate steps to bring more PACS under the scheme in a phased manner.

#### **New Scheme 'Grant-in-Aid to NCDC'**

5. The Committee appreciate that the Ministry of Cooperation are coming up with a new Scheme 'Grant-in-Aid to NCDC' with the outlay of Rs. 500 Crore for promoting the cooperative based economic development model, strengthening the cooperative movement in the country and deepening its reach up to the grassroots. The National Cooperative Development Corporation will be able to mobilize funds and borrow additional funds from the open market for providing loans to the cooperative sector. The availability of loans will help cooperatives in



their revival, capacity augmentation, diversification of activities, increasing their profitability and enabling them to increase their productivity and generate more employment which will improve the economic conditions of the farmer members. Loan assistance from NCDC will be provided either through the State Governments / UT Administrations or directly to the cooperatives fulfilling NCDC direct funding guidelines and criteria of applicable scheme. The Committee would like to be apprised of the details about the progress of the Scheme, implementation status and action taken expeditiously in the matter.

#### **National Level University in the Cooperative Sector**

6. The Committee feel that a very limited number of good educational institutions and training are presently operating in the field of cooperatives to meet the requirements, need and tapping the potentials of the cooperatives sector in India despite the fact that cooperative movement is very vibrant and has deep roots in the society. The Committee, thus, appreciate that the Government have decided to establish a national-level University, i.e., “Tribhuvan Sahkari University (TSU)” exclusively for the cooperative sector and a Bill has already been introduced in Lok Sabha for the legislative approval of the Parliament. The University will follow a multi-disciplinary course curriculum with flexible entry and exit system in line with the National Education Policy 2020 and would also offer courses in different sector-specific courses relating to cooperative business management, skill-development courses, and specialized engineering and technological courses as per demand of the cooperative sector. The Committee are hopeful that setting up of this University would definitely ensure a stable and continuous availability of qualified human resources to the cooperative sector and the capacity of employees and board members of cooperatives would also be enhanced immensely. The Committee, therefore, recommend the Ministry to pursue the matter for early setting up of the University and also desire that the Committee be apprised of the progress made in this regard.

The Committee, however, are of the considered opinion that Institute of Rural Management, Anand (IRMA), a pioneering institute which played a pivotal role in successful implementation of while Revolution in India, may be kept as an

autonomous institution to allow it to continue to play key role in rural management sector.

#### **Ushering in the White Revolution 2.0**

7. The Committee are happy to note that the Ministry of Cooperation has launched an initiative to usher Cooperative-led "White Revolution 2.0" aimed at expanding cooperative coverage, employment generation and women's empowerment with an objective to increase milk procurement of dairy cooperatives by 50% from the present level over next five years by providing market access to dairy farmers in uncovered areas and increasing the share of dairy cooperatives in organised sector. The initiative would help in creating the milk procurement activities as an additional income generating activity in Primary Agricultural Cooperative Societies / Multipurpose Primary Agricultural Credit Cooperative Societies (MPACS). It is heartening that 1000 MPACS will be provided a grant of Rs.40,000 each for procuring basic milk procurement and testing equipment under the Scheme. The Committee recommend that the 1000 MPACS to who the financial grant are to be given must be identified as soon as possible and it may be ensure that these 1000 MPACS should be in different districts in different States to make the dairy cooperatives a successful enterprise in whole of the India. The Committee would also like to be apprised, from time to time, about the progress and achievement made under the Scheme.

#### **Setting up of office of Cooperative Ombudsman**

8. The Committee note that a Grievances Redressal mechanism relating to the functioning of the cooperatives societies was required to be to put in place for a very long time. The Committee appreciate the measure taken by the Government in creating the office of Cooperative Ombudsman who will consider the complaints or Appeals from the members of the Multi-State Cooperative Societies. The Cooperative Ombudsman would follow the principles of natural justice in dealing with the complaints so received by his office and he shall exercise the same powers as are vested in the Civil Court under the Code of Civil Procedure, 1908 for summoning the person and documents. The Committee recommend that the Office of Cooperative Ombudsman be established as

expeditiously as possible so that the complaints by or against the members of the Multi-State Cooperative Societies are dealt with promptly and in just and equitable manner. The Committee also recommend that a Standard Operating Procedure (SOP) for filing the complaints, procedure to dispose of the complaints in time-bound manner and imposition of penalty for filing false or baseless or frivolous complaints, should be framed for the guidance of the Cooperative Ombudsman. Since there would only be one Cooperative Ombudsman who is likely to have office only at one place, the Committee recommend that procedure to file online complaints to the Cooperative Ombudsman may be also prescribed in the SOP so that members of the Multi-State Cooperative Societies residing in far-flung area may not be left behind from using the services and benefits of the office of Cooperative Ombudsman.

#### **Bringing transparency through office of Cooperative Election Authority**

9. With a view to conduct elections to Cooperatives in a transparent manner, a need was felt long ago for having an authority which would oversee and supervise the elections of cooperative societies. The Committee are glad that an independent authority in the form of Cooperative Election Authority has been created under the Multi-State Cooperative Societies Act, 2002 to conduct the elections of the Multi-State Cooperative Societies and also to supervise, direct and control the matters relating to preparation of electoral rolls. The Cooperative Election Authority is empowered to issue Election Programme and may appoint District Magistrate/District Collectors as the Returning Officer to ensure conducting of free and fair elections in the Multi-State Co-operative Societies. The Committee recommend that the State Government may also be persuaded to have such Cooperative Election Authority at the State-level for conducting of elections of the Primary Agricultural Credit Societies and other Cooperative Societies operating in the States.

**NEW DELHI;**

**11 March, 2025**

**20 Phalguna, 1946 (Saka)**

**CHARANJIT SINGH CHANNI,**

**Chairperson**

**Standing Committee on Agriculture,  
Animal Husbandry and Food Processing.**

## **MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25)**

The Committee sat on Thursday, the 20<sup>th</sup> February, 2025 from 1540 hours to 1605 hours in Committee Room 'D', Parliament House Annexe, New Delhi and the following were present:

**Shri Charanjit Singh Channi – Hon'ble Chairperson**

### **MEMBERS**

#### **LOK SABHA**

2. Shri Patel Umeshbhai Babubhai
3. Shri Rajkumar Chahar
4. Shri Kuldeep Indora
5. Shri Sukanta Kumar Panigrahi
6. Shri Naresh Chandra Uttam Patel
7. Shri Dharmbir Singh
8. Shri Dushyant Singh
9. Shri Sudhakar Singh
10. Shri Kodikunnil Suresh
11. Smt. Geniben Nagaji Thakor

#### **RAJYA SABHA**

12. Smt. Ramilaben Becharbhai Bara
13. Dr. Anil Sukhdeorao Bonde
14. Shri Ramji Lal Suman
15. Shri P.P. Suneer

### **SECRETARIAT**

- |    |                        |   |                  |
|----|------------------------|---|------------------|
| 1. | Shri Srinivasulu Gunda | - | Joint Secretary  |
| 2. | Shri Khakhai Zou       | - | Director         |
| 3. | Shri Prem Ranjan       | - | Deputy Secretary |

### **WITNESSES**

#### **MINISTRY OF COOPERATION**

- |    |                             |   |  |
|----|-----------------------------|---|--|
| 1. | Dr. Ashish Kumar Bhutani    | - | Secretary (Cooperation)                            |
| 2. | Shri Pankaj Kumar Bansal    | - | Additional Secretary &<br>Managing Director (NCDC) |
| 3. | Shri Sanjiv Narain Mathur   | - | Additional Secretary &<br>Financial Advisor        |
| 4. | Shri Rabindra Kumar Agarwal | - | Additional Secretary & CRCS                        |
| 5. | Shri Anand Jha              | - | Joint Secretary                                    |
| 6. | Shri Siddharth Jain         | - | Joint Secretary                                    |

2. At the outset, the Hon'ble Chairperson welcomed the Members of the Committee to the sitting convened for taking evidence of the representatives of the Ministry of Cooperation in connection with examination of Demands for Grants (2025-26) - Demand No.16 - pertaining to the said Ministry. Thereafter, the representatives of the Ministry of Cooperation were called in. After welcoming the representatives of the Ministry to the sitting, the Hon'ble Chairperson apprised them about the provision of Direction 55 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

3. After introducing themselves, the representative of the Ministry of Cooperation informed the Committee about the budgetary allocation made under different heads to support the schemes, programmes and initiatives being implemented by the Ministry and to meet its administrative and other expenses for the year 2025-26. They also informed about the progress being made to achieve the desired results in respect of the schemes and programmes.

4. The Chairperson and Members of the Committee also sought the following information:

- (i) List of various activities which could be undertaken by the Primary Agricultural Credit Societies (PACs);
- (ii) Need to acquaint the Members about the National Cooperative Database being maintained by the Ministry which provides information regarding activities carried out by the Cooperative Societies in different sectors;
- (iii) Efforts made to usher in transparency in the functioning of PACs by digitizing their data and to take necessary steps to bring out improvement in their functioning and to make them self-sufficient;
- (iv) Data on number of sugar mills which are actually operational and out of these operational sugar mills the number of mills which are making profit and have installed ethanol units.

5. The Representatives of the Ministry responded to most of the queries raised by the Members. The Chairperson, then, thanked the witnesses for sharing valuable information with the Committee on the Subject and directed them to furnish the requisite information on the points/items, which were not readily available with them to the Secretariat.

**The Committee then adjourned.**

**MINUTES OF THE TWENTY-SECOND SITTING OF THE COMMITTEE ON  
AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25)**

The Committee sat on Monday, 10<sup>th</sup> March, 2025 from 1605 hours to 1625 hours in Committee Room 'C', Parliament House Annexe, New Delhi.

***Present***

**Shri Charanjit Singh Channi –Chairperson**

***Members***

**Lok Sabha**

2. Shri Patel Umeshbhai Babubhai
3. Shri Kuldeep Indora
4. Shri Rajpalsinh Mahendrasinh Jadav
5. Md. Abu Taher Khan
6. Shri Rahul Singh Lodhi
7. Shri Sukanta Kumar Panigrahi
8. Smt. Krishna Devi Shivshankar Patel
9. Shri Naresh Chandra Uttam Patel
10. Shri Dharambir Singh
11. Shri Dushyant Singh
12. Shri Sudhakar Singh
13. Shri Kodikunnil Suresh
14. Shri Bhausabeb Rajaram Wakchaure

**Rajya Sabha**

15. Smt. Ramilaben Becharbhai Bara
16. Dr. Anil Sukhdeorao Bonde
17. Shri Banshilal Gurjar
18. Shri S. Kalyanasundaram
19. Shri P. P. Suneer

### Secretariat

1. Shri Srinivasulu Gunda – Joint Secretary
2. Shri Khakhai zou – Director
3. Shri Prem Ranjan – Deputy Secretary
4. Shri Anil Kumar Sanwaria – Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee. The Committee then took up for consideration of the draft Reports on Demands for Grants (2025-26) pertaining to (i) the Ministry of Agriculture and Farmers Welfare (Department of Agriculture & Farmers Welfare); (ii) Ministry of Agriculture and Farmers Welfare (Department of Agricultural Research and Education); and (iii) Ministry of Cooperation.

3. xxx xxx xxx xxx xxx

4. The Committee after considering the Draft Report on Demands for Grants (2025-26) of the Ministry of Cooperation and approved the Report with modifications/amendments as shown in ***Annexure II***.

5. xxx xxx xxx xxx xxx.

6. The Committee authorized the Chairperson to finalize the Reports in the light of modifications suggested and present the Reports to Parliament.

*The Committee then adjourned.*

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Matter not related to this Report.



**Annexure-I**

xxx	xxx	xxx	xxx	xxx
xxx	xxx	xxx	xxx	xxx
xxx	xxx	xxx	xxx	xxx

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Matter not related to this Report.

## Annexure-II

**During the sitting held on 10.03.2025, the Chairperson made the following suggestion to be incorporated into the Report on DFG (2025-26) pertaining to the Ministry of Cooperation**

Page No.	Recommendation No.	Modification incorporation
41	6	The Committee, however, are of the considered opinion that Institute of Rural Management, Anand (IRMA), a pioneering institute which played a pivotal role in successful implementation of White Revolution in India, may be kept as an autonomous institution to allow it to continue to play key role in rural management sector.