



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

EIGHTEENTH LOK SABHA

MINISTRY OF COOPERATION

DEMANDS FOR GRANTS (2024-25)

[Action Taken by the Government on the Observations/Recommendations
contained in the Sixth Report (Eighteenth Lok Sabha) on Demands for Grants
(2024-25) of the Standing Committee on Agriculture, Animal Husbandry and Food
Processing (2024-25)]

NINETEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

AUGUST, 2025 / SHRAVANA, 1947 (SAKA)

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Presented to the Lok Sabha on 20.08.2025

Laid on the Table of Rajya Sabha on 20.08.2025



LOK SABHA SECRETARIAT
NEW DELHI
AUGUST, 2025 / SHRAVANA, 1947 (SAKA)

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

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 *Shri Masthan Rao Yadav Beedha
- 24 Dr. Anil Sukhdeorao Bonde
- 25 Shri Banshilal Gurjar
- 26 Shri S. Kalyanasundaram
- 27 Shri Nitin Laxmanrao Jadhav Patil
- 28 Shri Madan Rathore
- 29 Shri Ramji Lal Suman
- 30 Shri P. P. Suneer
- 31 Shri Randeep Singh Surjewala

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

*Shri Masthan Rao Yadav Beedha, Member Rajya Sabha has been nominated to the Standing Committee on Agriculture, Animal Husbandry and Food Processing w.e.f. on 8th August, 2024, vide Lok Sabha Bulletin Part-II Para No. 3117 dated 13.08.2025.

SECRETARIAT

- | | | | |
|----|--------------------------|---|----------------------------|
| 1. | Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. | Shri Maheshwar | - | Director |
| 3. | Shri Anil Kumar Sanwaria | - | Deputy Secretary |
| 4. | Shri Ujjwal Yadav | - | 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 this Report on their behalf, present this 19th Report on action taken by the Government on the Observations/Recommendations contained in the Sixth Report (Eighteenth Lok Sabha) on the Demands for Grants (2024-25) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) pertaining to the Ministry of Cooperation.

2. The Sixth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on 'Demands for Grants (2024-25)' pertaining to the Ministry of Cooperation was presented to Lok Sabha and laid on the Table of Rajya Sabha on 17 December, 2024. The Action Taken Notes on the Report were received on 19.03.2025.

3. The Report was considered and adopted by the Committee at their Sitting held on 18.08.2025.

4. An Analysis of the action taken by the Government on the Observations/Recommendations contained in the Sixth Report (Eighteenth Lok Sabha) of the Committee is given in **Appendix**.

NEW DELHI;
18th August, 2025
27 Shravana, 1947 (Saka)

CHARANJIT SINGH CHANNI
Chairperson
Standing Committee on Agriculture
Animal Husbandry and Food Processing

CHAPTER – I

REPORT

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Sixth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on “Demands for Grants (2024-25)” pertaining to the Ministry of Cooperation which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 17th December, 2024.

1.2 The Ministry of Cooperation have furnished Action Taken Replies in respect of all the 08 Observations/Recommendations contained in the Report. These Replies have been scrutinised and categorised as under:-

(i)	Observations/Recommendations that have been accepted by the Government:	Chapter-II (Total - 05)
	Recommendation Para Nos. 1, 2, 3, 5, & 6	
(ii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:	Chapter-III (Total - 02)
	Recommendation Para Nos. 4, 7	
(iii)	Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee:	Chapter-IV (Total- 01)
	Recommendation Para No. 8	
(iv)	Observations/Recommendations in respect of which final replies of the Government are still awaited.	Chapter-V (Total - 00)
	Recommendation Para No. Nil	

1.3 The Committee believe that utmost importance would be given to implementation of the Observations/ Recommendations accepted by the Government. In case where it is not possible for the Ministry to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee desire that

further Action-taken Notes on the Observations/Recommendations contained in Chapter-I of this Report be furnished at the earliest but not later than six months in any case.

1.4 The Committee will now deal with the action taken by the Government on the Observation/Recommendation on Para No-8 in the succeeding paragraphs.

REVITALIZATION OF THE COOPERATIVE SECTOR

(RECOMMENDATION PARA NO.8)

1.5. The Committee had observed/recommended:-

The Committee have been apprised of the various efforts being made by the Government to revitalize the cooperative sector by aligning its activities with those of various government schemes, like Dairy Infrastructure Development Fund, National Programme for Dairy Development, PM *Matasya Sampada Yojna*, Fisheries and Aquaculture Infrastructure Fund. The Committee while appreciating the efforts made by the Government in creating 4833 new Dairy Cooperative Societies and 423 new Fisheries Cooperative Societies and also for creating 03 new National level Cooperative Societies, *i.e.*, National Cooperative Exports Limited, National Cooperative Organics Limited and *Bharatiya Beej Sahkari Samiti* Limited, recommend that there is an urgent need to substantially enhance the role of Cooperatives involved in farming sectors through measures, like, diversification of crops, organic and natural farming, providing subsidy to cooperatives being run by marginal, small and landless farmers. The Committee also recommend that concerted efforts may also be made to revive the closed or dormant cooperatives by infusing requisite funds and bringing in required structural changes in their working.

1.6 In its Action Taken Reply, the Ministry have submitted:-

- (a) Ministry of Cooperation has taken initiative to usher 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 next five years by providing market access to dairy farmers in uncovered areas and increasing the share of dairy cooperatives in organised sector."

Ministry of Cooperation in collaboration with NDDB, launched an SOP on September 19, 2024, at ICAR, Pusa, New Delhi, under the Hon'ble Home and Cooperation Minister leadership and guidance.

The Ministry of Cooperation launched the Cooperative-led "White Revolution 2.0" to expand cooperative coverage, generate employment, and empower women on 25/12/2024.

I. The White Revolution 2.0 would involve following activities:

- Setting up and strengthening of around 1,20,000 new/existing Dairy Cooperative Societies (DCS)/Multipurpose-DCS (M-DCS)/ Multipurpose-PACS (M-PACS).
- Linking these cooperatives with milk routes either by expansion of existing milk routes or by creating new milk routes.
- 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.

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

- 75,000 new M-DCS/M-PACS will be set up.
- 46,422 existing village-level DCS/PACS will be strengthened.
- The milk procurement by cooperatives would be increased by 50%.
- It will provide market access to smallholder dairy farmers while ensuring fair and remunerative prices.
- 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.
- Women being an important stakeholder in dairy, greater emphasis on having women as member.

- Enhanced procurement would help in increasing the share of organised 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.
- The initiatives will help in developing the sector and increasing milk production to meet the domestic demand and also tap the export potential.

Initially the White Revolution 2.0 will be implemented with financial assistance to 1,000 M- PACSs at rate of ₹ 40,000/- per M-PACS from resources of NDDB, for initiating dairy activities. Subsequently this initiative is to be driven by the financial assistance under proposed National Dairy Development Program 2.0 (NPDD 2.0) of Department of Animal Husbandry & Dairying (DAHD), Government of India. The NPDD 2.0 will be implemented as per guidelines issued by DAHD.

- (b) National Cooperative Organics Limited (NCOL)-** NCOL has been set up to provide institutional support for aggregation, certification, testing, procurement, storage, processing, branding, labelling, packaging, logistic facilities, marketing of organic products and facilitate in arranging financial assistance to the organic farmers through its member Cooperatives including PACS/FPOs along with promotional and developmental activities of organic products with the help of various schemes and agencies of the Government. The NCOL will help in marketing of authentic and certified organic products to increase production of organic products by the cooperatives at various levels.

Progress:

- i A total of 5,185 cooperatives have become members of NCOL.
- ii NCOL has started using brand name of “Bharat Organics” and has so far marketed 21 organic products (Masoor whole, Masoor Malka, Rajma Citra, Urad Whole, Urad Split, Kabuli chana, Chana Dal, Brown Chaana, Arhar Dal, Moong Dal, Moong Whole, Moong Split, Wheat Atta, Coriander Powder, Coriander Whole, Turmeric Powder, Fenugreek, Jaggery Cube, Jaggery Powder, Brown Sugar, Khandsari Sugar) worth around Rs. 167.1 lakh.
- iii NCOL has entered into MoU with nodal agencies of 10 states i.e., Uttarakhand, Nagaland, Assam, Meghalaya, Chhattisgarh, Tripura,

Andhra Pradesh, Maharashtra, Gujarat and Punjab to facilitate organic procurement.

- iv MoU signed with NDDDB-MRIDA on 22nd Oct, to align the supply of bio inputs to farmers to promote organic farming and to create model Bio village.
- v MoU signed with MDFVPL (Mother dairy) on 22nd Oct, to distribute Bharat Organics brand products across channels - GT, MT and E-com, etc.
- vi MoU signed with National Cooperative Exports Limited (NCEL) on 20.12.2024.
- vii The new Moti Bagh Safal outlet has been made a model outlet for organic products.
- viii Bharat Organics brand introduced in Amul, Big Basket, Flipkart, NCCF outlet on metro stations (Rajiv Chowk), etc.
- ix Finalized the packaging units for Cereals, Pulses and Sweeteners. The processing unit for Sweeteners and wheat has also been finalized.
- x Introducing QR code on new packaging to facilitate the customer to see the test report for each lot.

Future Vision:

- i. NCOL envisages to become the largest organic food player in the country by 2035 having a direct sourcing base from its members.
 - ii also envisages to achieve a cumulative turnover of ₹ 1,00,000 Cr (including exports of organic products through NCEL) by the year 2035.
- (c) The Government, on 15th February, 2023, approved the Plan for strengthening cooperative movement in the country and deepening its reach up to the grassroots. The Plan entails establishment of new multipurpose PACS or primary dairy/ fishery cooperative societies covering all the Panchayats/ villages in the country over a period of five years through convergence of various existing GOI schemes, National Programme for Dairy Development (NPDD), PM *Matsya Sampada Yojana* (PMMSY), including Dairy Infrastructure Development Fund (DIDF), etc.

This plan is being implemented with the support of National Cooperative Development Corporation (NCDC), National Bank for Agricultural and Rural

Development (NABARD), National Dairy Development Board (NDDB), National Fisheries Development Board (NFDB), National Level Cooperative Federations and State Governments. Efforts are also being made to revive the dormant/ defunct societies by providing them the benefits of these schemes/ initiatives.

1.7 Consequent to gleaming through the details available on the National Cooperative Database, the Committee infer that total number of 1,45,796 Cooperative Societies have been identified as non-functional. The biggest chunk of the defunct/non-functional Cooperative Societies are the Primary Cooperatives, i.e., 1,45,740. Though the Ministry have assured that efforts are being made to revive the dormant/ defunct societies by providing them the benefits of these schemes/ initiatives, however, the details in this regard have not been provided. The Committee are of the considered view that taking timely steps to prevent the Cooperative Societies becoming defunct and revival of the existing defunct societies is the common responsibility of all the interested parties, like Central Government, State Government and the Cooperative Societies, so that the cooperative movement could be strengthen in the country. The Committee in no uncertain words exhort that the Ministry must explore the possibility of a policy intervention to provide financial support and provide them the other requisite technical know-how / technological support / training programmes, etc., in this regard. The Committee further desire that an oversight Committee should also be constituted to oversee the functioning of such revived Cooperative Societies so as to ensure recurrence of their becoming defunct are avoided.

CHAPTER – II

OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

ALLOCATION AND UTILIZATION OF RESOURCES

(RECOMMENDATION PARA NO. 1)

The Committee note that the Ministry of Cooperation was allocated Rs.900 Crore and Rs.1624.74 Crore at the Budget Estimate (BE) and Revised Estimate (RE) stages, respectively for the year 2022-23 when it got its first separate budget. The Committee appreciate that the Ministry could spend Rs.12 Crore (approx.) more than the RE allocation for various path breaking initiatives taken by them in the Cooperative sector. In the year 2023-24, though higher allocation of Rs.1150.38 Crore at BE stage was made, it was reduced to Rs.747.84 Crore. Out of this amount, the Ministry, however, could spend Rs.688.88 Crore amounting to under-utilization of Rs.59 Crore and this representing 91% of RE allocation. The surrendering was attributed to non-receipt of proposals from the States for computerization of PAC Scheme, non-readiness of the States/ UT in complying with the procedural requirements *i.e.* non opening, non-mapping of SNA a/cs, shortage of staff, smaller no of advertisements, etc. The Committee also note that allocation of higher BE of Rs.1183.39 Crore *vis-à-vis* that of 2022-23 is to cater to the requirements of various ongoing schemes/projects such as (i) anticipated increase in proposals from State Governments for Computerization of Primary Agricultural Credit Cooperatives (PACs), (ii) Grants in-Aid to the National Cooperative Development Corporation (NCDC), etc. The Committee while suggesting to sensitize the States for fulfilling procedural formalities for releasing the funds for the said schemes through regular review meetings hope that the enhanced fund allocation will be entirely used for the purpose in the current financial year.

Reply of the Government

The Ministry of Cooperation acknowledges the Committee's observations and its recognition of the Ministry's efforts in effectively utilizing allocated funds for path-breaking initiatives in the cooperative sector.

The Ministry notes the Committee's concerns regarding the under-utilization of ₹59 crore (9% of the Revised Estimate allocation) in FY 2023-24, which primarily

resulted from procedural delays at the State/UT level, including non-receipt of proposals for the computerization of PACS, delays in compliance with Single Nodal Account (SNA) requirements etc. The Ministry is actively addressing these challenges through regular monthly review meetings under chairmanship of Secretary, Ministry of Cooperation with State Governments, Registrar of Cooperative Societies (RCS), NABARD and key stakeholders to monitor the progress of the projects expediting compliance with procedural formalities, ensure timely submission of proposals, and facilitate fund disbursement from Central Government. Further, a phased approach is being followed, with targeted fund disbursement based on State readiness, priority given to those who meet requisite criteria.

Further, overall implementation framework includes PFMS-based reporting dashboards, and regular review meetings through VC at Secretary level with States/UTs. With the above-mentioned steps, Ministry is making all the required efforts to disburse the funds allocated at RE 2024-25 Stage under various schemes.

MINISTRY OF COOPERATION

(File No. H-12/1/2025-MoC dated 17.03.2025)

NEW NATIONAL CORPORATION POLICY

(RECOMMENDATION PARA NO.2)

The Committee had observed/recommended:-

The Committee appreciate that the Ministry of Cooperation has decided to formulate a New National Cooperation Policy to realize the vision of 'Prosperity through Cooperation' and note that concrete steps such as constitution of National Level Committee (NLC), preparation of draft report and its consideration, etc. The objective of the proposed new policy is to make the Cooperative Societies more effective and efficient and also to bring about improvement and transparency in their functioning leading to realization of the vision of "*Sahkar se Samridhi*". The Committee suggest that the new policy may be unveiled at the earliest.

Reply of the Government

The formulation of New National Cooperation Policy (NCP) has been envisaged to fulfill the mandate of the Ministry of Cooperation - "*Sahakar se Samriddhi*." A National level committee was constituted on 2.9.2022 under Shri Suresh Prabhakar Prabhu with experts of the cooperative sector, representatives from National/State/District/Primary level cooperative societies, Secy. (Coop.) and RCSs from States/UTs and officers from Central Ministries/Departments to formulate the New Cooperation Policy to provide a framework to unlock the true potential of the Cooperative sector. The Committee conducted four regional workshops throughout the country to elicit suggestions from stakeholders. The received suggestions have been incorporated into the draft policy appropriately. The draft policy has been prepared and is under finalization.

The Ministry later on informed that the New National Cooperation Policy 2025 has been unveiled by the Hon'ble Home & Cooperation Ministry on 24th July 2025.

MINISTRY OF COOPERATION

(File No. H-12/1/2025-MoC dated 17.03.2025) and

(File No.S-11016/14/2021-CPC dated 19.07.2025)

WORLD'S LARGEST GRAIN STORAGE PLAN

(Recommendation Para No. 3)

The Committee are happy to note that in order to address the shortage of decentralized food grain storage capacity in the country, the Government has approved rolling out of the World's largest Grain Storage Plan in Cooperative Sector as a pilot project. As a part of the plan, pilot project has been put in place under which 11 PACs in 11 States. The plan facilitates creation of godowns and other agri-infrastructure, including custom hiring center, processing units, etc. at Primary Agricultural Credit Societies (PACS) level through convergence of various existing Government of India schemes. The Committee while noting the progress made in this regard, suggest that pilot projects may be undertaken in other states also to appreciate its advantages and to enable smooth rolling of the plan at pan India level in the near future.

Reply of the Government

Under the pilot project, godowns have been constructed in 11 PACS of 11 States. Further, it is apprised that foundation stones have been laid in 500 additional PACS from different States for godown construction.

MINISTRY OF COOPERATION

(File No. H-12/1/2025-MoC dated 17.03.2025)

GRANTS IN-AID TO NCDC FOR STRENGTHENING OF COOPERATIVE SUGAR MILLS (CSMS)

(Recommendation Para No. 5)

The Committee note that under the scheme “Grant-in-Aid to National Cooperative Development Corporation (NCDC)” for strengthening of Cooperative Sugar Mills (CSM)” Rs. 1000 Crore grant was approved for the purpose to be released in two installments (Rs. 500 Crore each) during 2022-23 and 2023-24. This grant is meant for the purpose of borrowing additional fund from the market for setting up of Ethanol/ Cogeneration plant and for meeting working capital requirements. The Committee, however note that first installment of the grant of Rs. 500 Crore could be released only on the last day *i.e.* 31 March, 2023 of the financial Year 2022-23 and due to considerable CNA balances, only token amount was sanctioned for 2023-24. The Committee further note that as certain challenges were faced in implementing the scheme, request was made to M/o Finance to extend the validity of the period by one more year *i.e.* up to 2024-25. As on 30.10.2024, NCDC sanctioned Rs.7790 Crore to 52 CSMS. The Ministry, however, in reply to a connected query furnished that so far 31 CSMS were given loans out of the sanctioned amount of Rs.7,790 Crore. The Committee want the Ministry to clarify the differing data on the working capital loans sanctioned and request to apprise them of the latest outcome in this regard.

Reply of the Government

To clarify the data on working capital, the latest position in respect of loan given by NCDC under the Scheme namely “Grant-in-aid to NCDC for strengthening of Cooperative Sugar Mills (CSMs) is as under:

NCDC has so far sanctioned 87 loan amounting ₹9893.12 crore to 48 CSMs. State wise details are annexed as Annexure-I.

The utilization of the fund resulted in outcomes is given below:

Annexure-I

Sl. No.	Nature performance / targets	Performance / target achieved
1	Physical performance / target	Loans have been sanctioned to i) 8 loans for setting up of Ethanol plant. ii) 78 loans for meeting their working capital requirement. ii) 1 loan for setting up of Cogeneration plant.
2	Financial performance / target	NCDC has sanctioned 87 loans amounting ₹9893.11 crore to 48 CSMs.

MINISTRY OF COOPERATION **(File No. H-12/1/2025-MoC dated 17.03.2025)**

MAKING THE PACS SELF-SUSTAINABLE BY DIVERSIFICATION OF BUSINESS ACTIVITIES

(Recommendation Para No. 6)

The path breaking initiative of the Govt. to diversify and augment the sources of income of the small and marginal farmers by enabling the PACs to function as Common Service Centres providing e-services to common citizens, such as *Pradhan Mantri Bharatiya Jan Aushadi Kendra* (providing quality generic medicines to rural citizens at affordable rates), *Pradhan Mantri Kisan Samriddhi Kendra* (providing fertilisers and agri-services like soil testing, training, etc. to farmers) and Distributorship of LPG/CNG/Petrol/Diesel, *Paani Samiti*, etc. (provides O&M services under Rural Piped Water Supply Schemes, etc. will go a long way in the annals of cooperative movement in the country. The Committee, however, note with concern that PACs are allowed to apply for LPG distributorship under Combined Category

(CC) of Oil Marketing Companies (OMCs). The number of such distributorships to the said category, the Committee apprehend, may not be in proportion to the huge requirement of PACs. The Committee are of the view that the matter may be taken up with the Ministry of Petroleum and Natural Gas (M/o P&NG) to consider the possibility of increasing the number of LPG distributorship under CC category as they believe that this will be game changer for the fortunes of PACs. The Committee may be apprised of the outcome of the discussions with the M/o P&NG in this regard.

Reply of the Government

Ministry of Cooperation welcomes the Committee's appreciation of the Government's initiative to diversify PACS business activities and augment income sources for small and marginal farmers. Enabling PACS to diversify their business activities and function as Common Service Centers (CSCs), Pradhan Mantri Bharatiya Jan Aushadhi Kendras (PMBJKs), Pradhan Mantri Kisan Samriddhi Kendras (PMKSKs), Petrol/ Diesel Retailers, LPG Distributors, etc. would significantly contribute to making them self-sustainable economic entities.

Regarding PACS being allowed to apply for LPG distributorship under the Combined Category (CC), Ministry of Cooperation has taken up the matter with the Ministry of Petroleum and Natural Gas (M/o P&NG) to explore the possibility of increasing the number of LPG distributorships under the CC category to accommodate more PACS. In this regard, a meeting was held on 16.12.2024 with representatives from Oil Marketing Companies (OMCs) for Petrol/ Diesel Retailership and LPG Distributorship wherein they have been requested to share a tentative timeline for the release of next advertisements, so that the same may be conveyed to States/ UTs for ensuring application by PACS to all such advertised locations. The Ministry is actively engaging with the concerned stakeholders to ensure equitable opportunities for PACS.

MINISTRY OF COOPERATION

(File No. H-12/1/2025-MoC dated 17.03.2025)

CHAPTER – III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

COMPUTERIZATION OF PRIMARY AGRICULTURAL CREDIT SOCIETIES (PACS)

(Recommendation Para No. 4)

The Committee note that a project for computerization of functional PACs with a total financial outlay of Rs.2,516 Crore to bring them onto Enterprise Resources Planning (ERP) based common national software, linking them with NABARD through State Cooperative Banks and District Central Cooperative Banks has been initiated and proposals for computerization of 67,930 PACs from 30 States/UTs have been sanctioned so far. The Committee note that so far 40,348 PACs have been onboarded on ERP software which comes to merely 59%. The remaining 41 % of the targeted PACs are required to be onboarded before March, 2025 as per the Plan. While expressing satisfaction over the progress made so far in the project for computerization of PACS, the Committee recommend the Ministry to pursue the matter vigorously and take all necessary steps for timely completion of the project so as to strengthen the cooperative sector and bring remarkable improvement in their functioning and operations.

Reply of the Government

It is informed that under the computerization of PACS Scheme/Project, proposals for the computerization of 67,930 PACS from 30 States/UTs have been sanctioned, and significant progress has been made in implementation, as reflected in the status as of 24.02.2025:

Stage	States/ UTs Underway	Total PACS	% Total
Hardware Delivered	29	62,487	92%
ERP Onboarded	30	53,588	79%
Go-Live	30	42,268	62%

While 53,588 PACS (79%) have been onboarded onto the ERP system, the Ministry remains committed to ensuring the timely onboarding of the remaining 14,342 PACS before March 2025, in line with the approved implementation plan.

To accelerate the completion of the project and address the remaining gaps, this Ministry is working in close coordination with all the stakeholders concerned, including State/ UT Governments. Regular review meetings are held under the chairmanship of Secretary, Ministry of Cooperation with ACS/ Principal Secretary/ Secretary of Cooperation Department and Registrars of Cooperative Societies of States/ UTs on a monthly basis to review the progress of implementation of these initiatives. In addition to this, senior officers of the Ministry, up to Director/ Deputy Secretary level visit States/ UTs to monitor the progress of implementation on the ground.

Further, States/UTs have been recently directed to maintain dedicated project teams (Project Management Units- PMUs) for implementation, monitoring, evaluation, and timely course correction, ensuring optimal fund utilization while maintaining focus on quality project outcomes.

The Ministry remains committed to achieving full-scale implementation of the PACS Computerization Project within the stipulated timeline.

MINISTRY OF COOPERATION
(File No. H-12/1/2025-MoC dated 17.03.2025)

ALLOCATION FOR SCSP, STSP AND NER CATEGORY
(Recommendation Para No. 7)

The Committee have been apprised that the major flagship schemes being run by the Ministry, viz., computerization of PACS, Grant-in-aid to NCDC for strengthening of CSMs and strengthening of Co-operatives through IT intervention have been granted exemption from making mandatory allocation under SCSP, STSP and NER category. The Committee have further been apprised that no State/UTs wise allocation under NER component was made under the Schemes implemented by the Ministry. The Committee are of the considered view that the upliftment of the members of marginalized sections of the society, like Scheduled Castes and Scheduled Tribes and people living in far-flung areas of the country deserve more

focus and attention while formulating and implementing the schemes and programmes by the Government. This is an accepted fact that the participation of the members of Scheduled Castes and Scheduled Tribes in forming the Cooperative Societies and running them is very low and needs to be raised in proportion to their population. Similarly, there is ample opportunity for the cooperative sector to grow in the North-Eastern States and therefore, there is need to encourage the people to set-up Cooperative Societies which would go a long way in giving their economy the much-needed boost. The Committee, therefore, recommend that the Government may consider the exemption granted in respect of mandatory allocation under SCSP, STSP and NER category for the major schemes being run by the Ministry of Cooperation. The Committee would like to be informed of the action taken in the matter.

Reply of the Government

The Ministry of Cooperation acknowledges the Committee's observations regarding the exemption granted to major flagship schemes, namely Computerization of PACS, Grant-in-Aid to NCDC for strengthening of Cooperative Sugar Mills (CSMs), and Strengthening of Cooperatives through IT Intervention, from mandatory allocations under the Scheduled Caste Sub-Plan (SCSP), Scheduled Tribe Sub-Plan (STSP), and North Eastern Region (NER) category.

In this regard, the rationale for exemption & steps taken for inclusive growth of Cooperatives including NER & SC/ST communities are placed below:

- (a) Nature of the Exemption & Justification
 - The exemption was obtained and granted by the authorities considering the specific nature of the schemes, which focus on institutional strengthening and digital transformation rather than individual beneficiary-based interventions.
 - Unlike direct welfare schemes, these initiatives involve upgrading infrastructure, modernizing governance systems, and enhancing digital financial services, which indirectly benefit all PACS members, including SC/ST communities and North-Eastern States.
- (b) Ensuring SC/ST Participation in Cooperatives

- Under the Computerization of PACS Scheme/Project and Strengthening of Cooperatives through IT intervention Scheme/Project, financial inclusion is being promoted by enabling PACS to offer digital banking and credit services to marginalized farmers, including those from SC/ST communities. Also, O/o of Registrar of Cooperative Societies are being computerized which would benefit all the Cooperatives including those from NER and SC/ST communities.

(c) Support for North-Eastern States

- While there is no separate NER-specific allocation under the schemes being run by Ministry of Cooperation presently, yet all functional PACS, ARDBs and RCS located in the North-Eastern Region (NER) are covered under the concerned schemes/projects.
- It may be pertinent to mention that 'Computerization of ARDBs' project, 6 ARDB units in State of Tripura are to be computerized. So far, Rs 3.86 lakh have been released to the State, as per their fund requirements.
- Despite exemption from mandatory allocations under the North Eastern Region (NER) category, under the Computerization of PACS Project, the Ministry of Cooperation has disbursed a total of Rs 30.62 crore to North Eastern Region (NER) States, as per their fund requirements. The details of funds released so far in last three financial years is tabulated below:

(Rs. in actuals)

S No.	States/UTs	Amount released in FY 2022-23	Amount released in FY 2023-24	Amount released in FY 2024-25	Total amount released
1	Manipur	2,55,00,000	0	0	2,55,00,000
2	Arunachal Pradesh	15,00,000	12,00,000	9,07,704	36,07,704
3	Tripura	2,95,00,000	1,12,50,000	3,03,30,709	7,10,80,709
4	Sikkim	1,18,00,000	90,00,000	0	2,08,00,000
5	Meghalaya	1,23,00,000	0	0	1,23,00,000
6	Mizoram	27,00,000	0	44,36,418	71,36,418
7	Assam	6,41,00,000	2,45,25,000	3,29,96,165	12,16,21,165
8	Nagaland	36,00,000	2,45,68,555	1,59,98,098	4,41,66,653
Total		15,10,00,000	7,05,43,555	8,46,69,094	30,62,12,649

- Similarly, the Project of Computerization of RCS has the exemption granted for mandatory allocation under SCSP, STSP and NER Category. However, in the Current Financial Year, Rs. 169.7 lakhs have been released and further Rs. 98.61 lakhs have been sanctioned for release to North Eastern States as per the following details: -

S. N	States	Funds released in 2024-2025 (Rs in Lakhs)	Remarks
1.	Arunachal Pradesh	88.4	
2.	Assam	-	
3.	Manipur	-	
4.	Meghalaya	-	
5.	Mizoram	75	
6.	Nagaland	21.67	Being released, all approvals taken
7.	Tripura	76.94	
8.	Sikkim	6.30	
	Total	268.31	

The Ministry acknowledges the Committee's recommendation to reassess the exemption granted under SCSP, STSP, and NER categories. However, revising the allocation criteria within the projects is not feasible due to the following reasons:

- Institutional Nature of the Schemes:** Unlike direct welfare programs, these initiatives focus on infrastructure development, governance modernization, and digital financial integration, which benefit all PACS members, including SC/ST communities, in a holistic manner rather than through individual beneficiary targeting.
- Advanced Stage of Implementation:** Given the significant progress in the implementation of these projects, altering the allocation pattern at this stage may pose operational and financial challenges, potentially delaying the project's completion and impacting its objectives.
- Approval for Exemption:** The exemption from mandatory allocation under SCSP, STSP, and NER categories has been granted at the

appropriate levels, and any modification would require a policy-level reconsideration.

In view of these considerations, the existing exemption remains essential to ensure the smooth and timely execution of the projects.

MINISTRY OF COOPERATION
(File No. H-12/1/2025-MoC dated 17.03.2025)

CHAPTER – IV

OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

REVITALIZATION OF THE COOPERATIVE SECTOR

(Recommendation Para No. 8)

The Committee have been apprised of the various efforts being made by the Government to revitalize the cooperative sector by aligning its activities with those of various government schemes, like Dairy Infrastructure Development Fund, National Programme for Dairy Development, PM *Matasya Sampada Yojna*, Fisheries and Aquaculture Infrastructure Fund. The Committee while appreciating the efforts made by the Government in creating 4833 new Dairy Cooperative Societies and 423 new Fisheries Cooperative Societies and also for creating 03 new National level Cooperative Societies, *i.e.*, National Cooperative Exports Limited, National Cooperative Organics Limited and *Bharatiya Beej Sahkari Samiti* Limited, recommend that there is an urgent need to substantially enhance the role of Cooperatives involved in farming sectors through measures, like, diversification of crops, organic and natural farming, providing subsidy to cooperatives being run by marginal, small and landless farmers. The Committee also recommend that concerted efforts may also be made to revive the closed or dormant cooperatives by infusing requisite funds and bringing in required structural changes in their working”.

Reply of the Government

(a) Ministry of Cooperation has taken initiative to usher 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 next five years by providing market access to dairy farmers in uncovered areas and increasing the share of dairy cooperatives in organised sector.

Ministry of Cooperation in collaboration with NDDB, launched an SOP on September 19, 2024, at ICAR, Pusa, New Delhi, under the Hon'ble Home and Cooperation Minister leadership and guidance.

The Ministry of Cooperation launched the Cooperative-led "White Revolution 2.0" to expand cooperative coverage, generate employment, and empower women on 25/12/2024.

III. The White Revolution 2.0 would involve following activities:

- Setting up and strengthening of around 1,20,000 new/existing Dairy Cooperative Societies (DCS)/Multipurpose-DCS (M-DCS)/ Multipurpose-PACS (M-PACS).
- Linking these cooperatives with milk routes either by expansion of existing milk routes or by creating new milk routes.
- 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.

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

- 75,000 new M-DCS/M-PACS will be set up.
- 46,422 existing village-level DCS/PACS will be strengthened.
- The milk procurement by cooperatives would be increased by 50%.
- It will provide market access to smallholder dairy farmers while ensuring fair and remunerative prices.
- 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.
- Women being an important stakeholder in dairy, greater emphasis on having women as member.
- Enhanced procurement would help in increasing the share of organised 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.

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

Initially the White Revolution 2.0 will be implemented with financial assistance to 1,000 M- PACSs at rate of ₹ 40,000/- per M-PACS from resources of NDDB, for initiating dairy activities. Subsequently this initiative is to be driven by the financial assistance under proposed National Dairy Development Program 2.0 (NPDD 2.0) of Department of Animal Husbandry & Dairying (DAHD), Government of India. The NPDD 2.0 will be implemented as per guidelines issued by DAHD.

(b) National Cooperative Organics Limited (NCOL)- NCOL has been set up to provide institutional support for aggregation, certification, testing, procurement, storage, processing, branding, labelling, packaging, logistic facilities, marketing of organic products and facilitate in arranging financial assistance to the organic farmers through its member Cooperatives including PACS/FPOs along with promotional and developmental activities of organic products with the help of various schemes and agencies of the Government. The NCOL will help in marketing of authentic and certified organic products to increase production of organic products by the cooperatives at various levels.

Progress:

- A total of 5,185 cooperatives have become members of NCOL.
- NCOL has started using brand name of “Bharat Organics” and has so far marketed 21 organic products (Masoor whole, Masoor Malka, Rajma Citra, Urad Whole, Urad Split, Kabuli chana, Chana Dal, Brown Chaana, Arhar Dal, Moong Dal, Moong Whole, Moong Split, Wheat Atta, Coriander Powder, Coriander Whole, Turmeric Powder, Fenugreek, Jaggery Cube, Jaggery Powder, Brown Sugar, Khandsari Sugar) worth around Rs. 167.1 lakh.
- NCOL has entered into MoU with nodal agencies of 10 states i.e., Uttarakhand, Nagaland, Assam, Meghalaya, Chhattisgarh, Tripura, Andhra Pradesh, Maharashtra, Gujarat and Punjab to facilitate organic procurement.
- MoU signed with NDDB-MRIDA on 22nd Oct, to align the supply of bio inputs to farmers to promote organic farming and to create model Bio village.

- v MoU signed with MDFVPL (Mother dairy) on 22nd Oct, to distribute Bharat Organics brand products across channels - GT, MT and E-com, etc.
- vi MoU signed with National Cooperative Exports Limited (NCEL) on 20.12.2024.
- vii The new Moti Bagh Safal outlet has been made a model outlet for organic products.
- viii Bharat Organics brand introduced in Amul, Big Basket, Flipkart, NCCF outlet on metro stations (Rajiv Chowk), etc.
- ix Finalized the packaging units for Cereals, Pulses and Sweeteners. The processing unit for Sweeteners and wheat has also been finalized.
- x Introducing QR code on new packaging to facilitate the customer to see the test report for each lot.

Future Vision:

- i. NCOL envisages to become the largest organic food player in the country by 2035 having a direct sourcing base from its members.
- ii also envisages to achieve a cumulative turnover of ₹ 1,00,000 Cr (including exports of organic products through NCEL) by the year 2035.
- (c) The Government, on 15th February, 2023, approved the Plan for strengthening cooperative movement in the country and deepening its reach up to the grassroots. The Plan entails establishment of new multipurpose PACS or primary dairy/ fishery cooperative societies covering all the Panchayats/ villages in the country over a period of five years through convergence of various existing GOI schemes, National Programme for Dairy Development (NPDD), PM *Matsya Sampada Yojana* (PMMSY), including Dairy Infrastructure Development Fund (DIDF), etc.

This plan is being implemented with the support of National Cooperative Development Corporation (NCDC), National Bank for Agricultural and Rural Development (NABARD), National Dairy Development Board (NDDB), National Fisheries Development Board (NFDB), National Level Cooperative Federations and State Governments. Efforts are also being made to revive the dormant/

defunct societies by providing them the benefits of these schemes/ initiatives”.

MINISTRY OF COOPERATION
(File No. H-12/1/2025-MoC dated 17.03.2025)

Comments of the Committee

For comments of the Committee please refer to Para No. 1.7 of Chapter-1 of this Report.

CHAPTER – V

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL
REPLIES OF THE GOVERNMENT ARE STILL AWAITED**

– NIL –

**NEW DELHI;
18th August, 2025
27 Shravana, 1947 (Saka)**

**CHARANJIT SINGH CHANNI
Chairperson
Standing Committee on Agriculture
*Animal Husbandry and Food Processing***

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

The Committee sat on Monday, the 18th August, 2025 from 1500 hrs. to 1530 hrs. in Committee Room No. 3, Block-A, Extension to Parliament House Annexe (EPHA), New Delhi.

Present

Shri Charanjit Singh Channi – Chairperson

Members

Lok Sabha

2. Shri Umeshbhai Babubhai Patel
3. Shri Rajkumar Chahar
4. Smt. Anita Nagarsingh Chouhan
5. Shri Rajpalsinh Mahendrasinh Jadav
6. Md. Abu Taher Khan
7. Shri Sukanta Kumar Panigrahi
8. Smt. Krishna Devi Shivshankar Patel
9. Shri Naresh Chandra Uttam Patel
10. Shri Murasoli S.
11. Shri Dharambir Singh
12. Shri Sudhakar Singh
13. Shri Kodikunnil Suresh
14. Smt. Geniben Nagaji Thakor
15. Shri Bhausahab Rajaram Wakchaure

Rajya Sabha

16. Smt. Ramilaben Becharbhai Bara
17. Shri Masthan Rao Yadav Beedha
18. Shri Banshilal Gurjar
19. Shri Nitin Laxmanrao Jadhav Patil
20. Shri Madan Rathore
21. Shri Ramji Lal Suman
22. Shri P.P. Suneer

Secretariat

- | | | | |
|----|-------------------|---|------------------|
| 1. | Shri Dhiraj Kumar | – | Joint Secretary |
| 2. | Shri Maheshwar | – | Director |
| 3. | Shri Prem Ranjan | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee xxxxxx. Thereafter, the Committee took up for consideration and adoption the following Reports:

- (i) *xxxxx
- (ii) *xxxxx
- (iii) *xxxxx
- (iv) *xxxxx
- (v) *xxxxx
- (vi) *xxxxx
- (vii) Draft Action-taken Report on the Action taken by the Government on the Observations/ Recommendations contained in the 6th Report of the Committee on the Demands for Grants (2024-25) of the Ministry of Cooperation presented during 18th Lok Sabha and
- (viii) *xxxxx.

3. After some deliberations, the Committee adopted the Draft Report without any modifications and the Committee authorized the Chairperson to finalize and present the Report to Parliament.

The Committee then adjourned.

* Matter not related to this Report

(Vide Para 4 of Introduction of the Report)

**ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE 6TH REPORT OF
STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND
FOOD PROCESSING (2024-25)(18TH LOK SABHA)**

(i)	Total number of Recommendations	08
(ii)	Observations/Recommendations that have been accepted by the Government: Para Nos. 1, 2, 3, 5 & 6 Total Percentage	05 62.5%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies: Recommendation Para Nos. 4, 7 Total Percentage	02 25%
(iv)	Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee: Recommendation Para Nos. 8 Total Percentage	01 12.5%
(v)	Observations/Recommendations in respect of which final replies of the Government are still awaited. Recommendation Para No. Nil Total Percentage	Nil Nil