

JULY 2025



SUMMARY OF

# KURUKSHETRA

## Cooperatives: Towards New Heights

Cooperatives  
Realizing  
Dream of  
Vikshit Bharat

Fostering  
Collective  
Prosperity by  
empowering  
PACS

Rising in Union:  
Sahkar se  
Samridhi

White Revolution  
2.0 Transforming  
Dairy Sector

National  
University for  
Cooperatives : A  
Long Overdue  
Initiative



## TOPIC 1: COOPERATIVES – REALIZING THE DREAM OF VIKSIT BHARAT @2047

### I. Establishment of the Ministry of Cooperation

- On 6th July 2021, India created an **independent Ministry of Cooperation**, a historic move dedicated to boosting the cooperative sector.
  - Prior to this, cooperative issues were under the **Ministry of Agriculture and Farmers Welfare**.
  - **Amit Shah** was appointed the **first Minister of Cooperation**.
- The Ministry was created to:
  - Provide **administrative, legal, and policy support**.
  - Strengthen and revitalize the cooperative movement in India.
  - Play a central role in **socio-economic transformation**.

### II. Vision and Goals of the Ministry

- Promote an **inclusive cooperative-based economic model**.
- Enable cooperatives to contribute to development across agriculture, dairy, and rural entrepreneurship.
- Support over **8.40 lakh cooperative societies** with more than **29 crore members**.

### III. Key Achievements and Reforms

#### (i) Primary Agricultural Credit Societies (PACS) Reform

- PACS are the grassroots units of India's cooperative credit structure, originating in **1904**.
- Challenges faced:
  - Outdated operational structures.
  - Lack of digital infrastructure.
- **Model Bye-Laws for PACS**:
  - Transform PACS into **multi-functional rural service hubs**.
  - Allow PACS to diversify into **agriculture services, retail, warehousing, healthcare**, and more.
  - Enable employment generation and delivery of public services.

#### (ii) Digitization of PACS

- **Computerization project** launched with NABARD's support.

#### Objectives:

- Standardize digital infrastructure across PACS.
- Implement cloud-based ERP software in regional languages.
- Train staff and digitize records.

#### Benefits:

- Real-time accounting.
- Better coordination with DCCBs and StCBs.
- Enhanced transparency and efficiency.

#### (iii) Expansion of PACS and Multipurpose Societies

- New PACS being set up in areas like:
  - **Dairy, fisheries, warehousing, retail, healthcare**.
- Goal: One **professionally managed PACS per Panchayat**.
- Outcome: Last-mile cooperative service delivery with local governance.

#### (iv) Empowering PACS with Public Services

- PACS are now running:
  - **Common Service Centers (CSCs)**
  - **Jan Aushadhi Kendras**
  - **Kisan Samridhi Kendras**
  - **LPG and petrol distribution, Pani Samitis, FPOs**
- Enhances access to:
  - Affordable medicines, banking services, LPG, and government schemes.
  - Employment generation and rural-urban connectivity.

#### (v) Creation of National Cooperative Database (NCD)

- Real-time digital platform for:
  - Monitoring cooperative performance.
  - Planning and targeted intervention.
- Helps:
  - Identify dormant or underperforming societies.
  - Enhance ease of doing business.

#### (vi) Formation of National-Level Cooperative Societies

- **Bharatiya Beej Sahkari Samiti Limited (BBSSL)**: Seed production.
- **National Cooperative Organics Limited (NCOL)**: Organic farming.
- **National Cooperative Exports Limited (NCEL)**: Export facilitation.

- Objective:
  - Connect grassroots cooperatives with **national and global markets**.
  - Expand **value chains** and income diversification.

#### IV. Legislative Strengthening – MSCS Amendment Act, 2023

- Strengthens legal framework for **multi-state cooperatives**.
- Key features:
  - Mandatory audits and elections.
  - Transparent and professional management.
  - Reduced political interference.

#### V. White Revolution 2.0

- Focuses on **modernizing dairy cooperatives**, especially women-led.
- Goals:
  - Increase milk production.
  - Build infrastructure and offer veterinary services.
  - Promote women's leadership and clean milk production.
- Promotes:
  - Digital platforms for milk procurement.
  - Value addition and income generation.
  - Food security and rural employment.

#### VI. Grain Storage Revolution in Cooperatives

- Launch of the **World's Largest Grain Storage Scheme**.
- Pilot warehouses in **11 PACS across 11 states**.
- Expansion to **500 PACS** in the next phase.
- Outcomes:
  - Reduced post-harvest losses.
  - Improved price realization.
  - Employment in storage, logistics, maintenance.

#### VII. International Year of Cooperatives (IYC) 2025



- Declared by the United Nations.
- Theme: **“Cooperatives Build a Better World”**.
- Objectives:
  - Celebrate cooperatives' economic/social contribution.
  - Promote **innovation, global partnerships, and youth involvement**.
  - Aligned with **Sahkar Se Samridhhi and Viksit Bharat @2047**.

#### VIII. Viksit Bharat @2047 Vision and Cooperative Role

- Target: **\$30 Trillion Economy**, 100% literacy, healthcare, and sustainable urban growth by 2047.
- Cooperatives are tools for:
  - **Inclusive and participatory development**.
  - Bridging rural-urban divide.
  - Democratizing economic opportunity.
- Ministry aims to:
  - Strengthen cooperatives with **digitalization, transparency, and governance reforms**.
  - Empower local people as active development participants.

#### IX. Strategic Focus Areas for Cooperatives

- Expand **ease of doing business**.
- Improve access to **affordable finance**.
- Promote **women's participation, youth entrepreneurship**.
- Advance **technology adoption and skill development**.
- Future cooperative sectors:
  - **Organic farming, clean energy, food processing**
  - **Agri-tech, supply chains, digital platforms**
  - **Rural tourism, healthcare services**

#### X. Technology and Digital Governance

- Key tools and portals:
  - **CRCS, CRCS-Sahara Refund Portal, e-Samyukti, e-Samridhi**
- Advanced tech like:
  - **Satellite farming, blockchain, data analytics, mobile apps**

#### XI. Inclusivity and Awareness Building

- Promote:
  - **Women's leadership, youth engagement**
  - **Cooperative education** in schools and colleges

- Create awareness about cooperatives as **career paths**.

## XII. Conclusion

- **Viksit Bharat 2047** is a **nationwide mission** for inclusive, just, and developed India.
- Cooperatives are central to this vision, ensuring grassroots prosperity.
- With robust policy support, legal reforms, and public participation, cooperatives can:
  - Mobilize communities.
  - Distribute benefits equitably.
  - Sustain local economies.
- They embody the principle of **“Prosperity through Cooperation”** and are crucial to India’s transformation into a **self-reliant, empowered, and developed nation by 2047**.

## TOPIC 2: RISING IN UNISON – REALISING SAHKAR SE SAMRIDDI

### I. Meaning and Cultural Roots of Cooperation

- **Definition and Origin:**
  - ‘Cooperation’ is derived from the Latin prefix “Co” (Saha – together) and “Operation” (Karya – work), meaning to work together.
  - It aligns with India’s cultural ethos, reflected in ancient scriptures like the Rigveda: “May we be of one mind, one spirit, let our thoughts be united.”
- **Historical Antecedents:**
  - Traditional Indian systems such as the **joint family structure, mutual aid, and communal ownership** bear evidence of cooperative philosophy.
  - References to cooperative behavior are found in the **Vedas, Manusmriti, and Arthashastra**. Kautilya’s Arthashastra stated: “Those who do not join a cooperative effort must contribute labor and costs but receive no profit.”

### II. Evolution of Cooperation in India

- **Colonial Introduction (1904 Act):**
  - The **Cooperative Credit Societies Act of 1904** formally introduced cooperation in India under British rule.
- **Post-1912 Expansion:**
  - Amendments in 1912 widened the scope beyond rural credit.

- **Maclagan Committee (1914-15):**
  - Transitioned the movement from mere relief to socio-economic welfare.
- **Gandhian Perspective:**
  - Gandhi called Charkha (hand-spinning) the largest example of voluntary cooperation for economic independence.
- **Post-Independence Recognition:**
  - Cooperatives became central in India’s planned development, receiving increasing institutional support.

### III. Institutional Support and Establishment of Ministry

- **Creation of Ministry of Cooperation (MoC):**
  - Established on **6th July 2021** by the Government of India.
  - Aimed to institutionalize and promote cooperative-based economic development.
  - **Slogan:** “Sahkar se Samriddhi” – Cooperation leads to Prosperity.

### IV. Cooperative Values and Amul Example

- **Core Values:**
  - Based on **seven global principles** of cooperatives (democracy, equality, equity, solidarity, etc.).
  - Promote **people-centric business** over profit-maximization.
- **Amul as a Model Cooperative:**
  - Founded by **Sardar Vallabhbhai Patel** and **Tribhuvandas Patel**.
  - Embodies principles such as:
    - ◆ Sahajeevan (living in unison)
    - ◆ Swanidhi (self-finance)
    - ◆ Swadeshi (Make in India)
    - ◆ Swarozgar (self-employment)
    - ◆ Swaudyamita (self-entrepreneurship)
    - ◆ Swanirbhar and Samriddhi (self-sufficiency and prosperity)

### V. Status of Cooperative Movement in India

- **Scale and Reach:**
  - Over **8.14 lakh cooperatives** with **29 crore members**.
  - **810,613 Primary Cooperatives** and **19 national-level federations**.
  - Cooperatives are present in **98% of Indian villages**.

## VI. Strengthening PACS (Primary Agricultural Credit Societies)

### (i) Model Bye-laws for PACS:

- Empower PACS to undertake over 25 diverse business activities.
- Activities include:
  - Dairy, fisheries, warehousing
  - Renewable energy
  - Common Service Centres (CSCs), banking correspondence, etc.

### (ii) PACS as CSCs:

- PACS digitized to offer 300+ e-services (banking, Aadhaar, insurance, travel bookings, etc.).
- As of March 2025, 42,080 PACS have become CSCs.

### (iii) Public Policy Support (2021–2025):

- **Onboarding on GeM Portal:** Transparent procurement by 574 cooperatives from 67 lakh vendors.
- **PACS Computerization:** ₹2,516 crore initiative; 50,455 PACS onboarded with NABARD software.
- **Amendment of Multi-State Cooperative Societies Act:** Enhances transparency, audits, governance, and professionalism.
- **National Organics Cooperative (NCOL):**
  - Aggregation, certification, branding and sale of organic products under 'Bharat Organics'.
  - 5,184 PACS affiliated; 13 products launched.
- **National Cooperative Export Limited (NCEL):** Exports of ₹5,099 crore by 7,933 PACS.
- **National Seed Cooperative (BBSSL):** 17,425 PACS engaged in seed production, certification and branding.
- **Cooperative Database:** Enables real-time data management for policy design.
- **Universal Panchayat Coverage:** Cooperatives set up in 2.54 lakh Panchayats. 12,957 new PACS registered.
- **World's Largest Grain Storage Movement via PACS:**
  - Uses Agri-Infrastructure Fund, PMFME, etc.

- 11 PACS godowns completed in 11 states.

### (iv) New Functions of PACS:

New Functions of PACS	Status/Details
PMBJKs (Generic Drug Outlets)	4,523 PACS applied; 716 approved
PM-Kisan Samridhi Kendra	36,193 PACS act as fertilizer retail centers
Panchayat O&M Services	934 PACS engaged in local infrastructure and service management

## VII. Cooperatives in Financial Inclusion

- **Bank Mitras:** Dairy/Fishery cooperatives operate Micro-ATMs; 8,322 units distributed.
- **Kisan Credit Cards:** 7,43,810 Rupay KCCs issued in Gujarat pilot.

## VIII. Cooperatives and Atmanirbhar Bharat

- **Pulse & Maize Procurement:**
  - NCCF and NAFED handle procurement via e-samyukti and e-samridhi platforms.
  - 12.6 lakh and 6.7 lakh farmers registered respectively.

## IX. Promoting Cooperative FPOs and FFPOs

- **Formation by NCDC:**
  - 1,100 new FPOs/FFPOs created, including 730 cooperative FPOs and 70 FFPOs.
  - Aim to diversify rural incomes and markets.

## X. PACS in Energy Sector

- **Retail Fuel and LPG Licenses:**
  - 286 PACS applied for dealerships.
- **Renewable Energy:**
  - Adoption of solar water pumps and photovoltaic systems by farmers.

## XI. Consolidating Cooperative Credit Structure

- **Preservation of 3-tier System:**
  - Strengthening of DCCBs (middle-tier) and computerization of ARDBs.
  - Resolve inefficiencies in long-term cooperative financing.

## XII. Cooperative Education and Training

- **Tribhuvan Sahkari University:**
  - Offers structured academic support for cooperative development.
  - Ensures skill-building and future-readiness.

### XIII. Concluding Remarks

- **Sahkar se Samridhhi – A National Vision:**
  - A call for people-led, inclusive, and community-driven economic transformation.
  - Cooperatives as vehicles for **Viksit Bharat @2047** and **\$5 trillion economy**.
  - Emphasis on revitalization of primary cooperatives and cohesive policy support.

## TOPIC 3: FOSTERING COLLECTIVE PROSPERITY

### I. Why Cooperatives Matter for Inclusive Growth

- **Nature of Cooperatives:**
  - Cooperatives are **community-based, democratically-run, and people-owned** enterprises.
  - They prioritize **collective benefit** over individual profit.
  - Operate with a **bottom-up approach**, reaching people at the **grassroots level**.
- **Alignment with National Vision:**
  - Crucial for achieving **Amrit Kaal goals, SDGs (2030), and the \$5 trillion economy vision**.
  - Enable economic participation of the **marginalized, rural populations, women, and youth**.
- **Success of Amul:**
  - A classic example of how cooperatives empower producers while ensuring market access and fair returns.

### II. Sectoral Interventions of Cooperatives for Inclusive Development

The cooperative model touches almost every sector of the Indian economy, ensuring balanced and equitable development.

#### (i) Agriculture and Allied Sectors

- **Cooperatives' Role:**
  - Ensure **fair pricing, market access, credit availability, and technology support**.
  - Enable **aggregation, value addition, branding, and retail** of produce.
- **Special Initiatives:**
  - **BSSSL** and **NCDC** support **seed production**.

- **FFPOs and Cooperative FPOs** improve **agri-business models**.
- **NCOL** enables organic farming collectives under the '**Bharat Organics**' label.

#### (ii) Fisheries Sector

- **Credit and Insurance Support:**
  - **Fishermen cooperatives** enable access to:
    - ◆ Formal credit via **Kisan Credit Cards**
    - ◆ **PMMSY** schemes
    - ◆ **Pradhan Mantri Matsya Sampada Yojana** benefits
- **Post-harvest Infrastructure:**
  - Development of **cold chains, processing units, and market linkages** through cooperatives.

#### (iii) Handloom and Handicrafts

- **Revival Through Collectivization:**
  - Organizing artisans into cooperatives enables:
    - ◆ Bulk production
    - ◆ Branding and e-commerce
    - ◆ Formal credit and welfare access
- **Skill Preservation:**
  - Encourages inter-generational transfer of traditional crafts by ensuring sustainable income.

#### (iv) Tribal Communities

- **Integration into Formal Economy:**
  - Cooperatives help tribal groups market **forest produce, handicrafts, and minor minerals**.
  - Access to schemes like **TRIFED, Van Dhan Yojana, and GI tagging**.
- **Women-Led Enterprises:**
  - Many tribal cooperatives are led by women, ensuring **gender empowerment**.

#### (v) Dairy and Animal Husbandry

- **Market Stability and Nutrition:**
  - Milk cooperatives like **Amul, Nandini, Sudha, etc.**, guarantee stable income and quality control.
  - Assist in cattle feed, veterinary care, and rural employment.
- **Public Health Contribution:**
  - Contribute to **nutritional security** via milk distribution in government schemes.

**(vi) Women’s Cooperatives**

- **Self-Help Models:**
  - **Women Self-Help Groups (SHGs)** evolve into formal cooperatives.
  - Focus on tailoring, food processing, handicrafts, banking, and microfinance.
- **Gender Financial Inclusion:**
  - Women’s cooperatives play a significant role in economic independence and community leadership.

**(vii) Energy Sector (Rural Focus)**

- **Renewable Energy Projects:**
  - Cooperatives undertake solar power generation, distribution, and maintenance.
  - Enable village-level energy security and reduce reliance on grid power.
- **Employment Generation:**
  - Local youth trained for maintenance and operations of these renewable units.

**(viii) Financial Inclusion**

- **Banking Correspondents:**
  - Cooperatives bridge the gap in rural banking by acting as **Bank Mitras** or **Micro-ATM agents**.
  - Facilitate transactions, deposits, insurance, pensions, etc.
- **Credit Access:**
  - Easy credit through **Primary Agricultural Credit Societies (PACS)** and **Urban Cooperative Banks (UCBs)**.

**III. Institutional Mechanisms and Schemes Enhancing Inclusive Growth**

**(i) Ministry of Cooperation’s Reforms (Post-2021)**

- Digitization of cooperatives

**V. Inclusivity**

- **New Model Bye-laws for PACS**
- Cooperative coverage in **2.5 lakh Panchayats**
- **National Cooperative Export Ltd. and Seed Cooperatives**
- Branding through **Bharat Organics**

**(ii) NCDC’s Role:**

- Financing over **₹1.5 lakh crore** worth of cooperative projects.
- Promotion of **FFPOs**, women cooperatives, tribal cooperatives.
- Sector-specific capacity building programs.

**(iii) TRIFED and Van Dhan Yojana:**

- Empower tribal SHGs to become micro-enterprises.
- Provide market linkages and MFP (Minor Forest Produce) value chain development.

**IV. Integration with National Missions and Goals**

- **Atmanirbhar Bharat:** Cooperatives help create self-reliant villages through localized employment and enterprise.
- **Doubling Farmers’ Income:** Reduce input costs, aggregate produce, and ensure fair returns.
- **Sustainable Development Goals (SDGs):**
  - Address goals related to:
    - ◆ No poverty
    - ◆ Zero hunger
    - ◆ Gender equality
    - ◆ Decent work
    - ◆ Reduced inequalities
- **Viksit Bharat @2047:** Cooperatives as key players in rural transformation and inclusive national development.

Segment	Cooperative Role	Impact
Farmers	Aggregation, branding, input supply, market linkage	Better prices, reduced cost, income stability
Women	SHGs into cooperatives, micro-enterprise support	Financial inclusion, social mobility
Youth	Skill training, agri-business, tech-based entrepreneurship	Employment generation, innovation

<b>Tribal Groups</b>	Forest produce marketing, GI tagging, access to schemes	Economic empowerment, heritage conservation
<b>Artisans</b>	Cluster development, e-commerce platforms	Wider markets, preservation of traditional crafts
<b>Fishers</b>	Infrastructure, credit, insurance	Risk mitigation, sustainable income
<b>Marginalized</b>	Social security, direct benefit access via cooperatives	Inclusion, welfare delivery

**VI. Challenges and Way Forward**

**(i) Challenges:**

- Lack of professionalism and training
- Limited digital infrastructure in remote areas
- Difficulty in accessing institutional finance
- Policy bottlenecks in multi-state coordination
- Societal bias against cooperatives in modern markets

**(ii) Recommendations:**

- Expand **cooperative education** via institutions like **Tribhuvan Sahkari University**
- Promote **digital literacy** and **e-commerce training**
- Ensure **public-private partnerships** for cooperative scale-up
- Provide **long-term capital access** through cooperative-specific funds
- Encourage **youth and women leadership** in cooperative governance

**VII. Conclusion:**

- **Balanced Growth Engine:**
  - Cooperatives ensure **dignified livelihoods, resource sustainability, and social equity.**
- **Cooperative Federalism + Economic Cooperation:**
  - When combined, they promote true inclusion and shared prosperity.
- **Pathway to Inclusive India @100:**
  - The cooperative movement must be at the center of India’s roadmap to becoming an equitable, empowered, and prosperous nation by 2047

**TOPIC 4: PACS AS COMMON SERVICE CENTERS (CSCS)**

**I. Introduction to PACS**

**(i) Traditional Role of PACS**

- Primary Agricultural Credit Societies (PACS) have long served as the foundational tier of India’s cooperative credit structure.
- There are over 1 lakh PACS across India, catering to the needs of more than 13 crore farmers.
- Historically, their role has been confined to providing agricultural credit and inputs.

**(ii) Need for Transformation**

- The socioeconomic needs of rural India have evolved, requiring access to a broader spectrum of services.
- Limited access to digital and financial services, and lack of last-mile service delivery points in villages, necessitated the expansion of PACS’ role.

**(iii) New Vision**

- The Government has reimagined PACS as **Common Service Centers (CSCs)** — multifunctional rural hubs offering more than 300 digital and non-digital citizen services under the **Digital Seva Portal.**

**II. Institutional Framework for PACS-CSCs Integration**

**(i) MoU Signed (2nd February 2023)**

Involves:

- Ministry of Cooperation
- Ministry of Electronics and Information Technology (MeitY)

- National Bank for Agriculture and Rural Development (NABARD)
- CSC e-Governance Services India Limited

### (ii) Services Delivered

PACS will now deliver the following CSC services:

- Banking services (account opening, deposits, withdrawals)
- Insurance and pension schemes
- Investor awareness and legal literacy
- Aadhaar update, PAN card, passport services
- IRCTC, bus and air ticket booking
- Health services (telemedicine, diagnostics, medicine distribution)
- Agricultural services (seeds, inputs)
- E-commerce services (buying and selling)

### (iii) Empowering Rural India: Multidimensional Impacts

#### (i) Expanded Services at the Local Level

- Aadhaar, PAN, and welfare scheme facilitation
- Telemedicine and healthcare access
- E-learning, skilling, and vocational courses
- E-commerce for local producers and consumers

#### (ii) Empowering Farmers

- Direct market access and bypassing middlemen
- Training in best agricultural practices
- Timely information on weather, subsidies, and schemes
- Access to modern farming technologies and equipment

#### (iii) Enabling Rural Entrepreneurship

- Support to small businesses and artisans
- Market linkages via e-commerce
- Training and capacity building
- Micro-loans and financial support
- Women and youth gain new income avenues

## IV. Strengthening Rural Infrastructure

### (i) Infrastructure Needs

- Renovation and modernization of PACS offices
- Internet connectivity in rural/remote areas
- IT system upgrades and installation

### (ii) Capacity Building

- Training PACS staff to handle CSC services
- Digital literacy campaigns in villages
- Partnerships with telecom and IT firms for last-mile solutions

### (iii) Employment Generation

- Construction, telecom, IT, and services sectors in villages benefit
- Local jobs created through infrastructure work and service delivery

## V. Financial Inclusion through PACS-CSCs

### (i) Bringing the Unbanked into the System

- PACS-CSCs provide banking services in unbanked villages
- Government scheme disbursements through direct benefit transfer (DBT)

### (ii) Promoting Financial Literacy

- Educating rural citizens on financial planning
- Insurance, pensions, savings schemes awareness

### (iii) Boosting Household Security

- Access to formal financial tools reduces vulnerability

## VI. National Alignment

### (i) Digital India

- Promotes digital governance at the grassroots

### (ii) Make in India

- Supports rural entrepreneurs, MSMEs, and artisans

### (iii) Atmanirbhar Bharat

- Promotes local employment, self-reliance
- Encourages rural innovation and production

## VII. Overcoming Challenges

- **Low Digital Literacy:** Many villagers are unfamiliar with online services
- **Infrastructure Gaps:** Remote areas face connectivity and power issues
- **Resistance to Change:** Some PACS staff hesitant to adopt new roles and technologies
- **Strategies to Overcome Challenges**
  - Public awareness campaigns
  - Training and hand-holding for PACS personnel

- Private sector and NGO partnerships
- Subsidies and funds for rural internet and hardware infrastructure

### VIII. Progress and Achievements (as of April 30, 2025)

- **Scale of Operation:** 45,319 PACS in 33 States/UTs have adopted CSC services.
- **Financial Transactions:** Transactions worth ₹85.70 crore completed
- **Software Integration:** CSC services are being linked to the National PACS Software
- **Training and Capacity Building:** NCCT is conducting workshops for training PACS across India to deliver 300+ services

### IX. Future Outlook

- **Multifunctional Nodal Centres:** PACS-CSCs will act as single-window citizen service hubs
- **Revenue Diversification:** New income streams from diversified services will ensure sustainability of PACS
- **Rural Employment Growth:** CSCs embedded in PACS will create more employment locally
- **Self-Sustainability and Empowerment:**
  - PACS will become more economically independent
  - Will foster digital inclusion and holistic rural development

### X. Conclusion

The transformation of PACS into CSCs marks a historic reform in India's rural development architecture. By integrating financial, digital, health, and educational services, this initiative bridges the rural-urban divide and empowers grassroots communities. With careful implementation, robust training, and infrastructure support, PACS-CSCs can become the backbone of inclusive governance, financial empowerment, and rural entrepreneurship in India.

## TOPIC 5: NCDC POWERING INDIA'S COOPERATIVE REVOLUTION

### I. Background and Institutional Framework

#### (i) Establishment and Legal Framework

- The National Cooperative Development Corporation (NCDC) is a **statutory organization**.

- It operates under the **Ministry of Cooperation**, Government of India.
- Established in **March 1963**, it was created through the **NCDC Act of 1962**, replacing the earlier **National Cooperative Development and Warehousing Board (1956)**.

#### (ii) Institutional Status and Authority

- In **May 2003**, NCDC was declared a **public financial institution** by the Department of Corporate Affairs, Ministry of Finance.
- It is a **non-equity-based statutory organization**, providing financial and technical support to cooperatives.

#### (iii) Target Beneficiaries

- Cooperatives comprising **farmers and weaker rural sections** engaged in agriculture and allied economic activities.

### II. Performance and Achievements

#### (i) Loan Recovery and Financial Performance

- NCDC has maintained **zero Net Non-Performing Assets (NPA)** with a **99.76% loan recovery rate**.
- The organization has been **profitable every year** since inception.
- Net profit for FY 2024–25 was approximately **₹750 crore**.

#### (ii) Disbursement Overview

- **FY 2024–25:**
  - Sanctioned: ₹1,30,377.60 crore
  - Disbursed: ₹95,175.71 crore
  - Beneficiaries: 2,76,760 cooperative societies and 1,27,43,054 members
- **Cumulative (till March 31, 2025):** ₹4,08,376.68 crore disbursed
- **Growth:**
  - CAGR of ~33% since FY 2015–16
  - 57% growth in financial assistance disbursement over FY 2023–24

#### (iii) Future Targets

- **FY 2025–26:** Disbursement target of ₹80,000 crore to cooperatives across India

### III. Major Initiatives and Sectoral Interventions

#### (i) Support to Cooperative Sugar Mills (CSMs)

- The Ministry of Cooperation provided a **one-time grant of ₹1,000 crore** to NCDC.

- Purpose: Setting up ethanol and cogeneration plants and meeting working capital needs.
- Up to March 31, 2025:
  - ₹10,000 crore sanctioned to 56 CSMs

#### (ii) Formation of Farmer Producer Organizations (FPOs)

- Goal: To support PACS and promote entrepreneurship under the '10,000 FPOs' scheme.
- Achievements (till March 2025):
  - 1,853 FPOs formed, including the new 1,100 targeted
  - ₹165.37 crore disbursed to FPOs and Cluster-Based Business Organizations (CBBOs)

#### (iii) Fish Farmer Producer Organizations (FFPOs)

- Under Pradhan Mantri Matsya Sampada Yojana (PMMSY):
  - 70 new FFPOS set up
  - 1,000 existing fisheries cooperatives transformed into FFPOS
  - ₹77.07 crore disbursed (up to March 31, 2025)
- Under Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana (PMKSSY):
  - Target to strengthen 2,348 existing fisheries cooperatives into FFPOS

### IV. Special Projects and Regional Assistance

#### (i) Deep-Sea Trawlers Initiative

- **Purpose:** To enhance marine fishing through financing deep-sea trawlers
- **Maharashtra:**
  - Sanctioned: ₹11.55 crore for 14 trawlers
  - Block cost: ₹20.30 crore; Disbursed: ₹2.89 crore
- **Seafood Processing in Mumbai:**
  - Rajmata Vikas Macchimar Sahkari Sanstha Limited
  - ₹46.74 crore project
  - NCDC sanctioned ₹37.39 crore; disbursed ₹9.35 crore
- **Gujarat:**
  - Shri Mahavir Macchimar Sahkari Mandali Limited
  - ₹18 crore sanctioned for 30 trawlers
  - Block cost: ₹36 crore

- **Kerala:**
  - **Integrated Fisheries Development Project (IFDP)**
  - Sanctioned: ₹32.69 crore; Disbursed: ₹20.83 crore

### V. Strategic and Institutional Role

**(i) Comprehensive Sectoral Support:** NCDC supports cooperatives across agriculture, fisheries, processing, marketing, infrastructure, and value chain development.

#### (ii) Capacity Building and Technical Assistance

- Offers training, knowledge-sharing, feasibility studies, and infrastructure funding
- Works closely with state-level and national cooperatives for scaling up

#### (iii) Leadership in Cooperative Development

- NCDC acts as a **backbone of India's cooperative ecosystem**, enabling scalability and transparency
- Its robust model aligns with the Government's vision of **inclusive, rural-led development**

### VI. Conclusion

- NCDC has emerged as **India's leading financial and developmental institution** for cooperatives.
- With **consistent profitability, zero NPA**, and high recovery rates, it stands as a model of financial prudence.
- Its interventions in sugar, agriculture, fisheries, and marine sectors are **enhancing rural livelihoods and cooperative strength**.
- As the cooperative sector grows, NCDC's **strategic financial, technical, and capacity-building role** becomes even more pivotal.
- The institution is set to play a key role in **realizing India's vision of 'Sahakar Se Samridhi' (Prosperity through Cooperation)**.

**TOPIC 6: NATIONAL COOPERATIVE EXPORTS LIMITED – EMPOWERING INDIA'S AGRICULTURAL EXPORTS**

#### I. Introduction

- India has immense agricultural diversity and potential but has historically faced challenges in exports, such as:

- Limited market access
- Infrastructure constraints
- Weak coordination between producers and exporters
- **National Cooperative Exports Limited (NCEL)** was established to address these challenges and bridge the gap between Indian farmers and global markets.
- The initiative was conceived by **Union Home Minister and Minister of Cooperation Amit Shah**, with Cabinet approval and formal registration under the **Multi-State Cooperative Societies Act, 2002** on **January 25, 2023**.

- Also includes **Farmer Producer Organisations (FPOs)**, **Farmer Producer Companies (FPCs)**, and **Self-Help Groups (SHGs)** as nominal members.
- As of **May 2025**:
  - **10,346 cooperative societies** applied.
  - **9,425 societies** issued share certificates.

#### (ii) Benefits to Members

- Access to value-added services:
  - Storage
  - Packaging
  - Certification
  - Branding
- Exposure to global markets and competitive pricing.

#### (iii) Promoters

- **Chief Promoter: Gujarat Cooperative Milk Marketing Federation (GCMMF) – Amul brand**
- Other Promoters:
  - IFFCO
  - KRIBHCO
  - NAFED
  - NCDC

### III. Strategic Partnerships and Global Engagement

- NCEL aligns with PM Modi's vision of **"Sahkar Se Samridhi"** (Prosperity through Cooperation).

#### (i) Domestic MoUs:

- With nodal agencies in:
  - Uttar Pradesh
  - Maharashtra
  - Andhra Pradesh
  - Gujarat
- Other domestic organisations:
  - **National Cooperative Organics Limited (NCOL)**
  - **Marine Products Export Development Authority (MPEDA)**

#### (ii) International Collaborations:

- **MoU with Senegal's Ministry of Commerce** – Facilitates rice exports and bilateral trade.
- **MoU with Sinton Vantage Trading/Surini Nusantara (Indonesia)** – USD 2 billion annual export deal covering five agricultural products.

## II. NCEL's Foundation and Purpose

**GOALS OF NATIONAL COOPERATIVE EXPORTS LIMITED (NCEL)**

- Strengthening cooperatives by providing linkage to export markets.
- Transform cooperatives into vibrant economic entities.
- Exploring new markets for Agri commodities.
- Increasing share of cooperatives in total agricultural exports from the country.
- Ensuring benefits of Agri-exports to the farmers.
- Achieving objective of Sahkar se Samridhi.

- **Role:** A national umbrella organisation to promote exports from India's cooperative and agricultural sectors.
- **Function:** Acts as the **nodal agency** for export of agricultural and allied commodities.
- **Aim:**
  - Enable international trade access for farmers.
  - Support the vision of **Aatmanirbhar Bharat**.
  - Foster inclusive growth through cooperatives.

#### (i) Membership

- Open to all levels of cooperatives – primary, district, state, national.

**(iii) Global Participation:**

- Participated in the **ICA Global Cooperative Conference** (Nov 2024).
- Applied for membership in the **International Cooperative Alliance**.

**IV. Historical Context: Roots of the Cooperative Movement in India**

- Originated in the late 19th century to combat exploitation by moneylenders and middlemen.
- First Cooperative: **Agricultural Credit Cooperative Society (1904)** – Pedanandipadu, Andhra Pradesh
- Legal Framework: **Cooperative Societies Act of 1912**
- Aim: Economic independence and social upliftment

**V. Role and Mandate of NCEL**

- **Procurement and Purchase** of a diverse range of commodities:
  - Foodgrains, fruits, vegetables
  - Dairy, poultry, fisheries
  - Spices, sugar, organic produce
  - Textiles, tea, coffee
  - Handicrafts, herbal medicines, forest produce
- Supports cooperative export activities through a **Whole-of-Government Approach**.
  - Functions cover entire value chain:
    - ◆ Procurement
    - ◆ Storage
    - ◆ Processing
    - ◆ Branding
    - ◆ Packaging and certification
    - ◆ Export logistics
    - ◆ R&D

**VI. Financial and Non-Financial Aims**

- Serve as umbrella export organisation for cooperatives
- Ensure:
  - Year-on-year revenue growth
  - International pricing access for farmers
  - Rural employment generation
  - Social security upliftment
  - Stakeholder inclusion

**• Distribution of Profits**

- Up to **20%** as dividends (Byelaws Clauses 55 and 58)
- Up to **50%** of net surplus to members for their produce (Clause 54)

**VII. Vision and Mission**

- **Vision:** Make India a global leader in agricultural exports by ensuring product quality, branding, and global competitiveness.
- **Mission:**
  - Tackle challenges in the export supply chain.
  - Empower farmers through:
    - ◆ Market linkage
    - ◆ Quality assurance
    - ◆ Brand visibility
    - ◆ Cooperative participation

**VIII. Key Objectives**

- **Market Access:** Connect farmers and cooperatives to global buyers
- **Export Infrastructure:** Develop cold chains, packaging and warehousing facilities
- **Quality Compliance:** Adherence to ISO, HACCP, Global GAP
- **Sustainability:** Promote eco-friendly, ethical practices
- **Farmer Cooperatives:** Engage FPOs, SHGs, FPCs, and grassroots cooperatives

**IX. Core Responsibilities**

- **Procurement:** Engage cooperatives to source commodities and enable aggregation
- **Storage & Processing**
  - Maintain quality with advanced storage (cold & dry)
  - Process produce to meet global standards
- **Branding & Marketing**
  - Develop brand identities
  - Highlight Indian origin, quality, sustainability
- **Export Facilitation:** Manage packaging, documentation, logistics, customs, permits
- **Farmer Education**
  - Provide training on:
    - ◆ Crop quality
    - ◆ Sustainable farming
    - ◆ International packaging and compliance

- **Policy Advocacy**
  - Recommend policies that:
    - ◆ Ease export
    - ◆ Support cooperatives
    - ◆ Build international partnerships

**X. Key Challenges**

- **Infrastructure Gaps:** Modern storage and packaging still insufficient
- **Market Access:** Tariffs, non-tariff barriers, and geopolitics
- **Farmer Awareness:** Poor understanding of international standards
- **Supply Chain Issues:** Logistical inefficiencies
- **Global Competition:** Must compete with established exporters

**XI. Key Milestones**

Area	Achievement
<b>Cooperative Membership</b>	10,346 applied; 9,425 issued share certificates
<b>Turnover FY 2024-25</b>	₹4,283 crores
<b>Total Turnover</b>	₹5,396 crores (since inception)
<b>Export Volume</b>	13.09 LMT agri commodities exported
<b>Leading Commodity</b>	Rice (non-Basmati, broken)
<b>Global MoU</b>	Signed with Senegal's Commerce Ministry
<b>Dividend Distribution</b>	20% dividend in first year

**XII. Public Engagement in 2025**

- Events to celebrate **UN International Year of Cooperatives 2025:**
  - Commodity seminars
  - Nukkad Nataks in local languages
  - Cooperative Pavilion at Maha Kumbh Mela
  - International Cooperative Day
  - Tree plantation drives

**XIII. Conclusion**

- NCEL stands as a major achievement in India's cooperative and agricultural export landscape.

- In just two years, it has connected thousands of cooperatives to global markets and significantly enhanced India's agricultural trade footprint.
- With its inclusive and holistic approach, NCEL is well-positioned to continue empowering Indian farmers and boosting rural incomes through the globalisation of cooperative products.
- As India moves forward in its journey of becoming a global agri-export power, NCEL remains a critical pillar of cooperative-led development.

**TOPIC 7: NATIONAL UNIVERSITY FOR COOPERATIVES - A LONG OVERDUE INITIATIVE**

**I. Introduction and Context**

- One of the most important legislative highlights of the 2025 Budget Session was the introduction and passage of the *Tribhuvan Sahkari University (TSU) Bill, 2025.*
  - Passed in the Lok Sabha on 26 March 2025
  - Passed in the Rajya Sabha on 1 April 2025
  - Notified via Gazette on 3 April 2025
- The bill transformed the **Institute of Rural Management Anand (IRMA)** into **Tribhuvan Sahkari University (TSU).**
- The TSU aims to:
  - Provide technical and management education
  - Promote research and training in the cooperative sector
  - Strengthen the cooperative movement through a national and global institutional network

**II. Understanding Cooperatives**

- Cooperatives are hybrid organizations:
  - Combine **financial sustainability** (as business entities)
  - With **service to members** (for social welfare)
- Defined by the **International Cooperative Alliance** as: "An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise."

- **Core principles:**
  - “Value for Money and Value for Many” (exemplified by Amul)
    - ◆ *Value for money:* Quality products at fair prices for consumers
    - ◆ *Value for many:* 85% of earnings returned to over 36 lakh contributing dairy farmers
- Economic and Social Benefits:
  - Reduces vulnerability of small/marginal farmers
  - Enables **collective bargaining**, better technology access, and risk-sharing
  - Promotes **equity, inclusion, and social justice** through:
    - ◆ **Recognition:** Admitting members from all backgrounds
    - ◆ **Representation:** Equal voting rights
    - ◆ **Redistribution:** Equitable access to services
- Recognized globally (by ILO) as agents of:
  - Freedom
  - Dignity
  - Economic security
  - Equal opportunity

### III. Why a Dedicated University for Cooperatives?

- India’s cooperative movement:
  - Originated in **pre-Independence** period
  - Supported through **British-era laws** and post-Independence policies
  - Emphasized in the **First Five-Year Plan (1951-56)**
    - ◆ Envisioned every village family joining at least one cooperative society
- Current Cooperative Landscape in India:
  - Over **8.5 lakh cooperatives**
  - Close to **30 crore members**
  - Present across sectors: credit, dairy, housing, fertilizer, sugar, consumer goods, fisheries, handicrafts, women’s welfare, etc.
- Economic Contributions (as per Union Minister Amit Shah, 2023):
  - **1/3rd of sugar production**
  - **1/4th of fertilizer production**
  - **1/5th of agricultural credit, paddy procurement, and fish production**
  - **1/10th of milk procurement and production**
- Job Creation Potential:
  - *Primus Partners report (Nov 2024)* estimates **11 crore jobs by 2030**

- Gaps in Education Infrastructure:
  - Few institutions like **IRMA** are available
  - Founded in 1979 by **Dr. Verghese Kurien**
    - ◆ Professionalized rural management
    - ◆ Trained rural managers for 45 years
  - But one IRMA is not enough to meet the national demand
- TSU fills this gap by:
  - Supplying **professionally trained manpower** (managerial, technical, supervisory)
  - Offering **capacity-building** for employees and board members
  - Conducting **research** into vital cooperative issues
    - ◆ Why do some cooperatives succeed and others fail?
    - ◆ How to level the field with corporations?
    - ◆ How can cooperatives in different sectors and regions learn from each other?

### IV. Renewed National Focus on Cooperatives

- Establishment of **Ministry of Cooperation (July 2021)**
- **Major achievements:**
  - **National Cooperative Database** creation
  - **10% growth** in cooperative numbers across India in 4 years
- **State-wise Growth:**
  - Jammu & Kashmir: From **4,111 to 10,317 cooperatives** (+150%)
  - Higher-than-average growth in: Ladakh, Meghalaya, Arunachal Pradesh, Lakshadweep, Assam, Uttarakhand
- **Sectoral Distribution:**
  - **Housing cooperatives:** 23%
  - **Dairy cooperatives:** 18%
  - **Primary Agricultural Credit Societies (PACS):** 12%
- **Other Initiatives:**
  - **National Cooperative Policy** being finalized
  - **Reforms in PACS** to align with 25 economic activities
  - PACS now function as **common service centers** for over 300 government schemes
  - **Computerization of PACS:** two-thirds are now online

- Tax rate on cooperatives reduced from **12% to 7%**
- Over **60 initiatives** introduced
  - Plans to extend cooperatives to new sectors: **taxi, insurance, etc.**
- Vision: All villages to be covered by PACS/ fishery/dairy cooperatives in 5 years

## V. Mission and Vision of Tribhuvan Sahkari University (TSU)

- Named in honor of **Tribhuvandas Patel**, pioneer of Amul and India's cooperative movement
- Spearheaded by **Amit Shah**, Minister of Cooperation
- **Goals:**
  - Promote **rural economy, self-employment, social inclusion, and cooperative innovation**
  - Integrate **education with enterprise** to generate dignified employment
  - Foster a **culture of collectivity and unity** over individualism
  - Democratize development: Empowering a billion rather than a few billionaires
- **Key Offerings:**
  - Degree, diploma, PhD programmes
  - Short-term certificate courses for employees
  - Open to 10th/12th pass through classroom and e-learning modes
  - Curriculum aligned with **NEP 2020**
    - ◆ Flexible entry/exit options
    - ◆ Multidisciplinary approach
- **Research Agenda:**
  - Cooperative governance
  - Technology integration
  - Financial sustainability
  - Community-led models
- **Structure:**
  - **Hub-and-spoke model**
    - ◆ Sector-specific schools across regions
    - ◆ Adaptation to regional economic needs
  - Expected to train **8 lakh candidates annually**
- **Think Tank Role:**
  - Policy inputs for governments
  - Collaboration with cooperative societies and federations

## VI. Conclusion: A New Era in Cooperative Education

- TSU aims to be the **national apex institution** for cooperative education
- Will foster:
  - Transparent, accountable, professionally managed cooperatives
  - Research-backed policy innovation
  - Equitable and sustainable economic development
- Embodies the vision of *Sahkar Se Samriddhi* (Prosperity through Cooperation)
- With a structured framework, the TSU is poised to:
  - Strengthen India's cooperative movement
  - Empower millions
  - Establish India as a **global leader** in cooperative education, innovation, and governance

### TOPIC 8: MSCS (AMENDMENT) ACT & RULES, 2023 – STRENGTHENING GOVERNANCE AND TRANSPARENCY

#### I. Background and Context

- (i) **Establishment of Ministry of Cooperation**
  - Formed on **6 July 2021** by the **Government of India**.
  - **Objective:** Provide a distinct administrative, legal, and policy framework for cooperatives.
  - **Vision:** Strengthen and make cooperatives self-reliant through the mantra "**Sahkar Se Samriddhi**".
  - **Achievements:** Rolled out over **60 initiatives** since inception to enhance cooperative outreach and impact.
- (ii) **Identified Challenges in Multi-State Cooperative Societies (MSCS)**
  - Reported issues:
    - **Financial embezzlements.**
    - **Irregular elections** and delays.
    - **Bias in auditor appointments.**
    - **Favouritism in recruitment.**
    - **Lack of member participation.**
  - **Root Cause:** Outdated legislation — the original **MSCS Act and Rules of 2002** were no longer adequate to regulate modern cooperative operations.

## II. Rationale and Objectives of the 2023 Amendments

### (i) Key Goals

- Strengthen **governance, accountability, and transparency**.
- Reform the **electoral process**.
- Supplement the 2002 legislation while incorporating provisions of the **97th Constitutional Amendment**.

(ii) **Overarching Aim:** Create a **robust, democratic, autonomous, and growth-conducive** environment for Multi-State Cooperative Societies.

## III. Salient Features of the MSCS (Amendment) Act, 2023

### (i) Electoral Reforms: Establishment of Cooperative Election Authority (CEA)

- **Role and Powers**
  - Established under **Section 45** of the amended Act.
  - Responsible for **timely, regular, and transparent elections** in MSCS.

### (ii) Achievements of CEA (as of 4 April 2025)

- **146 election programs issued.**
- **113 elections successfully conducted.**
- **33 elections in progress.**
- In **March 2025**, elections of **13 MSCS** were completed.
- Proactive action: Emails sent to **315 MSCS** to ensure timely elections and compliance with the six-month prior notification rule.

### (iii) Institutional Alignment

- CEA initiated consultations with societies in **Schedule II** to revise **Bye-laws** in accordance with amended rules.

## IV. Grievance Redressal and Transparency Mechanisms

### (i) Cooperative Ombudsman and CIOs

- **Section 85A:** Establishes a **Cooperative Ombudsman**, a **quasi-judicial authority** for addressing member grievances.
- **Section 106:** Mandates appointment of **Cooperative Information Officers (CIOs)** in MSCS:
  - Act as **support agents** to the Ombudsman.

- Provide **information access, issue redressal, and compliance monitoring**.

### (ii) Capacity Building Initiatives

- **NCUI and Ministry of Cooperation** organized CIO training programs titled: **"Responsible Governance, Compliance, and Sustainability"**.
- **Objectives:**
  - Educate CIOs on recent amendments.
  - Build skills in **compliance, grievance handling, and information management**.
  - Promote best practices in **MSCS governance**.

## V. Institutional Strengthening and Member Protection

### (i) Role of Cooperative Ombudsman

- Appointed by the **Central Government**.
- **Functions:**
  - Resolve **member grievances**.
  - Inquire into issues like **delayed deposits, inequitable benefits**, etc.
  - Serve as **Appellate Authority** for CIO decisions (Appeals under **Form VII**).

## VI. Digital Transformation and Ease of Doing Business

### (i) Digitization Measures

- Applications, documents, annual returns, and fees to be **submitted digitally**.
- **Certificates** issued online to promote **efficiency and reduce bureaucracy**.

### (ii) Registration Reforms

- Reduced time for MSCS registration:
  - From **4 months to 3 months**.
  - Provision for **2-month extension** to rectify application deficiencies.

## VII. Social Justice and Representation

### (i) Inclusion of SC/ST and Women

- In line with **Article 243(2)** of the Constitution.
- **Sub-Section (3) of Section 41** amended:
  - Mandates at least **1 SC/ST and 2 Women** members on the Board of MSCS.
- Ensures **diversity, equity, and inclusive governance**.

## VIII. Financial Reforms and Transparency

### (i) Concurrent Audit Provisions

- **Section 70A** replaced:
  - Mandates **concurrent audits** for societies with turnover/deposits above a threshold.
  - Auditors selected from the **Central Registrar's panel** to ensure independence.

### (ii) Parliamentary Oversight

- Audit reports of **Apex MSCS** must be **presented in Parliament**.
- Enhances **national accountability** and **financial discipline**.

### (iii) Centralized Accounting Standards: Central Government empowered to define accounting/auditing standards for all MSCS.

## IX. Prudential Norms for Thrift and Credit Societies

- Introduced by Central Government to ensure **financial safety**:
  - Set **liquidity thresholds, exposure limits, and other safeguards**.
- Helps reduce **systemic risks** from mismanagement.

## X. Enhanced Governance Mechanisms

### (i) Disqualification of Directors

- New disqualification grounds introduced to:
  - Exclude individuals with a history of fraud or malpractice.
  - Promote **ethical and responsible leadership**.

### (ii) Member Expulsion

- **Section 30** amended:
  - Minimum expulsion duration raised from **1 year to 3 years**.
  - Intended to protect **collective interest** and **prevent indiscipline**.

## XI. Reform of Fund Investment Policies

- Outdated investment clauses referencing **colonial-era securities** removed.
- Replaced with **modern, secure options** to ensure **financial prudence**.

## XII. Establishment of Oversight Committees

### (i) Audit and Ethics Committee

- As per amended **Section 53(1)**:
  - Board must establish **Audit & Ethics Committee**: Monitors **financial integrity** and **ethical governance**.

### (ii) Committee on Prevention of Sexual Harassment

- Board also required to form an **Internal Complaints Committee**:
  - Ensures a **safe, gender-sensitive work environment** in cooperative societies.

## XIII. CEO Qualification Norms

- Specific **eligibility and experience** criteria laid down for appointment of **Chief Executive Officers** in MSCS.
- **Objective**: Ensure **qualified leadership** and **strategic capability** at the helm.

## XIV. Strengthened Regulatory Oversight

- Central Registrar empowered to **inquire into any MSCS** operating:
  - Fraudulently.
  - Illegally or with **unlawful objectives**.
- Strengthens **monitoring, deterrence, and compliance enforcement**.

## XV. Conclusion

- The **MSCS (Amendment) Act & Rules, 2023** mark a watershed in cooperative governance reform.
- Through digitalization, regulatory tightening, and inclusive representation, the reforms:
  - Enhance **transparency, autonomy, and accountability**.
  - Empower members.
  - Safeguard financial interests.
  - Encourage **ethical, sustainable, and inclusive growth** of the cooperative movement.

## TOPIC 9: NCOL – TOWARDS DEVELOPMENT OF ORGANIC AGRICULTURE

### I. Global Growth of Organic Agriculture

#### (i) Expansion of Organic Farming (2023 Data)

- **Global organic farmland**: 98.9 million hectares (2.6% increase from 2022).
  - **Oceania**: 53.2 million hectares (largest share).
  - **Europe**: 19.5 million hectares.
  - **Latin America**: 10.3 million hectares (10.8% growth).
  - **Africa**: 24% growth, reaching 3.4 million hectares.

## (ii) Leading Countries

- **Highest land under organic farming:**
  - Australia (53 million ha), Argentina (4 million ha).
- **Highest organic land share:**
  - Liechtenstein (44.6%), Austria (27.3%), Uruguay (25.4%).
- 22 countries have  $\geq 10\%$  agricultural land under organic management.

## (iii) Organic Producers

- **Total:** 4.3 million organic producers world wide.
- **India:** Largest number (2.36 million), followed by Vietnam, Sri Lanka, Burkina Faso.

## (iv) Organic Market Trends

- **Global market size:** ₹12.28 lakh crore (2023).
- **Leading markets:**
  - USA (₹5.31 lakh crore), Germany (₹1.45 lakh crore), China (₹1.13 lakh crore).
- **High per capita spending:**
  - Switzerland (€468), Denmark (11.8% organic market share).
- **Retail growth:**
  - Estonia (+13%), Netherlands (+12.5%), USA (+3.4%), Germany (+5.0%).



कृषि एवं किसान कल्याण विभाग  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE

## Benefits of Organic Farming

- Improves soil health
- Minimises soil erosion
- Maintain water quality
- Improves food's nutritional content
- Decreases environmental pollution by eliminating toxic chemicals



## II. Role of International Organizations

- **IFOAM** (International Federation of Organic Agriculture Movements): Established in 1974.
- Collaborates with:
  - EU, USA, FAO, UNCTAD, etc., to promote global standards, sustainability, and transparency in organic agriculture.

## III. Organic Agriculture in India

### (i) Historical Context

- Traditional farming practices have long emphasized natural inputs.
- **The modern movement** began in the late 1980s–1990s.
- **National Programme for Organic Production (NPOP)** launched in 2001.

### (ii) Government Initiatives

- **Key Programs:**
  - NPOP.
  - **Paramparagat Krishi Vikas Yojana (PKVY).**
  - **Mission Organic Value Chain Development for North Eastern Region (MOVCD).**
- **Participatory Guarantee System (PGS)** gaining ground.
- **National Mission on Natural Farming (NMNF):**
  - Proposal for 10,000 **Bio-input Resource Centers (BRCs).**
  - Incentives for reducing chemical fertilizer use.
  - Establishment of 500 'waste-to-wealth' plants.

## IV. NCOL – National Cooperative Organics Limited

### (i) Vision & Mission

#### Vision

- Promote members' economic interests via professional, democratic, autonomous functioning.
- Act as an umbrella organization for aggregation, branding, and marketing of organic products.
- Facilitate certification, testing, production, storage, logistics, R&D, and financial support.

#### Mission

- Ensure the full supply chain: aggregation → marketing.
- Represent Indian cooperative organic producers nationally & internationally.
- Promote research, sustainability, and advisory services.

## V. NCOL's Structure and Founding

### (i) Organizational Genesis

- Formed with ₹100 crore capital under Ministry of Cooperation.
- Founding institutions: NDDDB, GCMMF (AMUL), NAFED, NCCF, NCDC.
- Approved by the Union Cabinet.

### (ii) Branding & Marketing

- Sells under 'Bharat Organics' brand.
- Available via Safal stores, general trade, modern trade, and e-commerce.

### (iii) Product Quality and Certification

- Works with certified organic farmers using NPOP and PGS standards.
- **Implements:**
  - 100% batch testing.
  - QR codes for traceability.

## VI. Roles and Responsibilities of NCOL

### (i) Core Functions

- Aggregation, certification, testing, procurement, processing, branding, packaging, logistics, and marketing.
- Financial assistance and training to organic farmers.
- Branding and market promotion of 'Bharat Organics'.

### (ii) Technical Support

- Establishes a knowledge repository.
- Conducts research and provides technical expertise.

### (iii) Infrastructure & Market Development

- Builds storage, transport, and supply chain facilities.
- Enhances farmer-market linkages nationally and internationally.

## VII. Membership Model

- **Eligible members:**
  - State & Multi-State Cooperative Societies.
  - Farmer Producer Organizations (FPOs) under Cooperative Acts.
- Collaborative and inclusive approach to boost the organic ecosystem.

## VIII. Key Challenges Facing Organic Agriculture & NCOL

- **Awareness:** Farmers lack knowledge of organic practices and benefits.
- **Certification:** Complex, costly process, especially for smallholders.
- **Market Access:** Limited, inconsistent market avenues.
- **Infrastructure Gaps:** Shortages in processing, cold storage, and transport.
- **Price Competition:** Conventional produce is often cheaper due to chemical inputs.
- **Financial Constraints:** Difficult credit access for small organic farmers.
- **Market Penetration:** Organic products are still viewed as premium by rural/price-sensitive consumers.

## IX. Achievements & Progress

### (i) Membership and Partnerships

- 5,184 cooperatives joined NCOL.
- MoUs signed with:
  - State agencies from 8 states (AP, UK, Assam, etc.).
  - NDDDB, MRIDA, and MDFVPL (Mother Dairy).
  - NCEL for export facilitation.

### (ii) Product Launches

- 21 organic products launched: pulses, cereals, spices, sweeteners.
- Sales worth ₹167.1 lakh.

### (iii) Distribution and Retail Expansion

- Products launched in Amul, BigBasket, Flipkart, Metro stations (Rajiv Chowk).
- Safal Moti Bagh outlet made a model organic store.

## X. Future Directions of NCOL

### (i) Product & Market Expansion

- Broaden 'Bharat Organics' product range.
- Participate in global trade fairs and develop export infrastructure.

### (ii) Enhanced Farmer Support

- More financial and technical support via PACS.
- Training and incentives for transitioning to organic.

- (iii) **Sustainability Focus:** Prioritize eco-friendly, chemical-free agricultural practices.
- (iv) **Retail & Brand Strengthening:** Increase urban retail points and e-commerce integration.
- (v) **Infrastructure Investment:** Expand cold storage, processing, and logistics facilities.
- (vi) **Vision 2035 Goals**

- **Become the largest organic food player in India.**
- Achieve ₹1,00,000 crore turnover (including exports).

### XI. Broader Significance and Insights

- NCOL supports cooperative-driven, sustainable development.
- Aligns with:
  - **SDGs** (environmental, social, economic).
  - Rising demand for **safe, healthy food**.
- Empowers farmers, supports environmental goals, and improves consumer health.

### XII. Conclusion

- NCOL is revolutionizing Indian agriculture by:
  - Strengthening the organic supply chain.
  - Empowering farmers through cooperative frameworks.
  - Providing reliable market access via **Bharat Organics**.
- Despite hurdles like certification, infrastructure, and pricing, NCOL is making impactful progress.
- Its **future vision** and nationwide collaboration make it a **pivotal player** in India's transition to sustainable, organic agriculture.

## TOPIC 10: WHITE REVOLUTION 2.0 – TRANSFORMING DAIRY SECTOR

### I. Introduction and Background

- **Leadership Initiative:**
  - Launched under the leadership of **Union Home and Cooperation Minister Amit Shah**.
  - **Aim:** Revive and modernize the dairy sector through a cooperative-led model.
- **Initial Financial Support:** Financial assistance of ₹40,000 per unit to 1,000 MPACS/MDCS from **NDDB resources** to initiate dairy activities.

- **Further Financial Roadmap:** Future funding through the **proposed National Programme for Dairy Development 2.0 (NPDD 2.0)** under the **Department of Animal Husbandry & Dairying**.
- **Objective:** Strengthening India's cooperative movement and transforming dairy into a more inclusive, productive, and globally competitive sector.

### II. Importance of the Dairy Sector in India

- **Economic Contribution:**
  - Livestock contributes **~5.5% to national GDP**.
  - Dairy provides **direct employment to 8 crore farmers**.
- **Global Standing:**
  - India is the **world's largest milk producer**, contributing **25% of global milk output**.
  - Also the **largest consumer** of milk and dairy products.
- **Production Statistics:**
  - Milk production increased from **146.3 MMT (2014-15)** to **239.3 MMT (2023-24)**.
  - **Annual growth rate:** **6% (India)** vs. **2% (Global average)**.
  - **Per capita availability:** **471 grams/day (India)** vs. **315 grams/day (Global)**.
- **Socio-Nutritional Role:**
  - Key contributor to **nutrition and food security**, especially in a predominantly **lacto-vegetarian** population.

### III. White Revolution 1.0: Operation Flood

- **Spearheaded by:** Dr. Verghese Kurien and **NDDB** in the 1970s.
- **Goals:**
  - Boost milk production.
  - Eliminate middlemen.
  - Build a national dairy cooperative network.
- **Impact:**
  - Made India self-sufficient in milk.
  - Ensured **nutritional security** and improved rural incomes.

### IV. Dairy Cooperative Network in India

- **Structure:**
  - Farmer-owned institutions that bypass intermediaries.

- Provide market access, collective bargaining, and price stability.
- **Economic Empowerment:** Farmers get 75–85% of consumer price, the highest in the world.
- **Women's Participation:** Cooperatives promote gender inclusion, with significant roles for rural women in management and leadership.

### V. Need for White Revolution 2.0

#### (i) Sectoral Challenges:

- **Low Animal Productivity:**
  - **India:** ~6 kg/day; Developed countries: ~18–20 kg/day.
  - Affects profitability and demand-supply balance.
- **Supply Chain Inefficiencies:**
  - **The unorganized sector** handles 68% of milk surplus.
  - Issues: Adulteration, lack of quality control, poor logistics, low traceability.
- **Value Addition Deficit:** Low share of processed dairy products in total milk consumption.
- **Environmental & Climate Challenges:**
  - Dairy contributes to GHG emissions and excessive water use.
  - Requires climate-resilient and sustainable practices.
- **Limited Global Presence:**
  - Despite being the largest producer, India holds <1% share in global dairy trade.

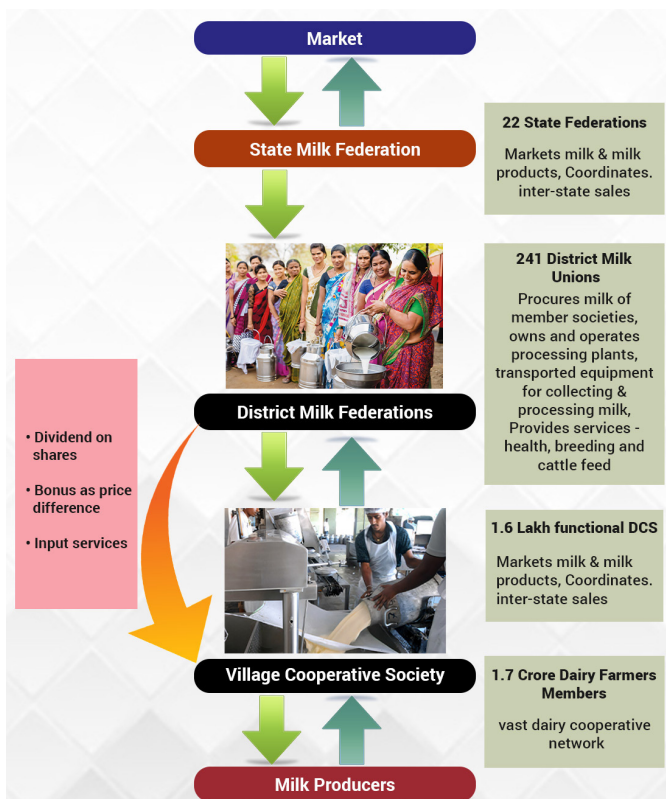
### VI. Role of Women in Dairy Sector

- **Workforce Composition:**
  - Women perform 60–80% of dairy tasks in rural areas.
  - Make up about 70% of the dairy workforce.
- **Empowerment via Cooperatives:**
  - Cooperatives like Amul and NDDB promote financial independence, decision-making, and leadership among women.

### VII. Key Objectives of White Revolution 2.0

- **Expand Milk Procurement:** Target: 50% increase in milk procurement by cooperatives by 2028-29.
- **Strengthen and Establish Cooperatives:** Build capacity and create new cooperatives with modern infrastructure.

- **Empower Women:** Increase access to credit, training, tech, and leadership opportunities.
- **Ensure Fair Prices:** Cut out intermediaries and improve market linkage through cooperatives.



### VIII. Implementation Strategy

#### (i) Annual Procurement Growth:

- Goal: 9% annual increase in cooperative milk procurement vs. current 6%.

#### (ii) Institutional Expansion:

- Establish 75,000 new DCS/M-DCS/M-PACS.
- Connect with existing/new milk routes.

#### (iii) Infrastructure Support:

- Strengthen 46,000 existing cooperatives with:
  - Automatic milk collection systems
  - Testing and data processing equipment
  - Bulk milk coolers

#### (iv) Scheme Convergence:

- Leverage support via NDDB and various government schemes under the Department of Animal Husbandry & Dairying.

### IX. Anticipated Outcomes

- **Organized Market Access:** Smallholder farmers gain access to organized markets ensuring remunerative prices.

- **Network Expansion:** Strengthened cooperative network enhances **procurement, processing, and marketing.**
- **Empowered Women:** Promotes **gender equity** and **rural leadership** roles.
- **Food Safety & Quality Control:** Shift from unorganized to organized sector improves **hygiene and standards.**
- **Increased Milk Output:** Enhanced productivity meets **domestic** and **global demand.**

## X. Progress and Milestones

- **September 19, 2024:**
  - **SOP** for White Revolution 2.0 launched by **Home & Cooperation Minister** and **Minister of Animal Husbandry & Dairying.**
- **December 25, 2024:**
  - Inauguration of White Revolution 2.0.

- **6,600 new DCS** established.
- **9,568 M-DCSs** registered across **28 States/UTs.**

## XI. Conclusion

- **Strategic Imperative:** White Revolution 2.0 is essential to modernize India's dairy sector, making it **resilient, sustainable, and globally competitive.**
- **Focus Areas:** Boosting **productivity**, promoting **women's empowerment**, upgrading **infrastructure**, and ensuring **food safety.**
- **Vision for the Future:** With **cooperative-led growth**, White Revolution 2.0 aims to:
  - Elevate **rural prosperity**
  - Secure **food and nutritional needs**
  - Position India as a **global dairy power house.**