

# MINISTRY OF COOPERATION: YEAR END REVIEW 2023

Relevant for: null | Topic: Important Schemes & Programmes of the Government

To realize the Prime Minister Shri Narendra Modi's Vision of "Prosperity through Cooperation", a separate Ministry of Cooperation was established on July 6, 2021. Under the able guidance of the first Minister of Cooperation of the Country Shri Amit Shah, this newly created Ministry of Cooperation has taken many new initiatives and historical steps for the strengthening of Cooperative Sector in a short span of time.

To strengthen the Cooperative movement, Ministry of Cooperation has taken 54 major initiatives, through which all cooperative societies are getting new possibilities for their economic development and expansion. Through this document, brief information is being provided on these new initiatives which will prove to be beneficial for the stakeholders of the Cooperative sector of the Country.

## **(A) Economic strengthening of Primary Co-operative Societies**

Minister of Cooperation Shri Amit Shah believes that PACS will be more empowered and economically viable when they are multi-purpose. Therefore, under his leadership the Model Bye-laws for PACS were prepared by the Ministry of Cooperation after consultation with all States/UTs, National Federations and other stakeholders and were circulated on 05 January 2023. This will increase the sources of income of PACS/LAMPS and create new employment opportunities in more than 25 new sectors like dairy, fisheries, storage, etc. So far, they have been adopted by 31 States/Union Territories and the work of adoption in other States is in progress.

To enhance the efficiency of PACS, computerization of PACS/LAMPS has been started. Total 62,318 functional PACS/LAMPS are being linked with NABARD through a single National Software Network. So far, proposals for computerization of a total of 62,208 PACS have been received from 25 States and 4 Union Territories. For this, a total of Rs 575.75 crore has been released by the Central government to the States for hardware purchase, digitization and setting up support systems. National Integrated Software has been prepared by NABARD. Minister of Cooperation Shri Amit Shah believes that this will bring transparency in PACS and will significantly increase public trust in functioning of PACS. The hardware has been procured by 20 States/UTs. Trial run is ongoing in 6,117 PACS across 26 States/UTs and 988 PACS have gone live.

Under the leadership of Prime Minister Shri Narendra Modi, the Cabinet on 15th February, 2023 approved this scheme with the target of setting up new Multi-purpose PACS/Dairy/Fisheries Cooperative Societies in the Panchayats/Villages not covered so far, in the next 5 years. Under this, various schemes of the Government of India will be converged at the level of primary Cooperative Societies. Inter-Ministerial Committee (IMC), National Level Coordination Committee (NLCC), State Level Cooperative Development Committees (SCDC) and District Level Cooperative Development Committees (DCDC) have been formed for the implementation of this scheme. As per the directions of Minister of Cooperation meetings are being held by the Ministry with all the States. Action plan related to the establishment of new Societies has been prepared by NABARD, NDDDB and NFDB and under this scheme, the work of formation of 9,961 new multipurpose PACS/Dairy/Fisheries Cooperative Societies is going on in 23 States/Union Territories.

Under the leadership of Prime Minister Shri Narendra Modi, the Cabinet on 31st May, 2023

approved the World's largest food storage scheme in the Cooperative sector. Under this scheme, different types of agricultural infrastructure such as godowns, custom hiring centres, processing units, fair price shops, etc. will be created by convergence of various schemes of the Government of India at the PACS level. Minister of Cooperation Shri Amit Shah is giving special emphasis on this scheme as he believes that it will ensure food security of the country, reduce wastage of food grains, result in better price for farmers for their produce and meet various agricultural needs at the PACS level itself. For the implementation of this scheme, a Pilot project is going on in 24 PACS of 24 States/Union Territories with the cooperation of the states, out of which construction work has started in 13 States. Further, 1779 PACS have been identified in 27 States/UTs for participation in second phase of Pilot Project. This scheme is being coordinated by Inter-Ministerial Committee (IMC), National Level Coordination Committee (NLCC), State Level Cooperative Development Committee (SCDC) and District Level Cooperative Development Committee (DCDC).

In the presence of Minister of Cooperation Shri Amit Shah, MoU has been signed on 02.02.2023 between Ministry of Cooperation, Ministry of Electronics and Information Technology, NABARD and CSC e-Governance Services India Limited for providing CSC services through PACS, after which PACS have now become capable of providing more than 300 e-services provided by CSC. Till date more than 48,000 PACS have been onboarded as CSC and the work on onboarding of other PACS is also in progress. The onboarded PACS are also being provided training by CSC-SPV and NABARD. More than 25,000 PACS have started providing services as CSCs and transactions worth Rs 10.08 crore have been done through these PACS. Minister of Cooperation Shri Amit Shah inaugurated this project on July 21, 2023 at Vigyan Bhawan, New Delhi. There is a plan to provide CSC facilities through all the functional PACS/LAMPS of the country which are being computerized by January 2024.

Under the FPO scheme, it has been decided to allot 1100 additional FPOs to the National Cooperative Development Corporation (NCDC) in cooperative sector. Now, PACS will be able to do other economic activities related to agriculture as FPOs. This initiative will also be helpful in providing the members of the cooperative societies with the necessary market linkage to get fair and remunerative prices for their produce. Minister of Cooperation Shri Amit Shah inaugurated this project on July 14, 2023 at IECC, Pragati Maidan, New Delhi. An action plan has been prepared by NCDC for formation of FPOs in 629 uncovered blocks of 16 states/union territories.

Under the guidance of Minister of Cooperation Shri Amit Shah, the Ministry of Cooperation is working with a strong commitment to increase the coverage of PACS. Making PACS eligible for LPG distributorship by the decision taken on 13<sup>th</sup> March, 2023 is an important step towards this direction. Petroleum Ministry has amended its rules to make PACS eligible for LPG distributorship, after which PACS will also be able to distribute LPG. Guidelines have been issued for obtaining LPG distributorship by PACS. Advertisement has been issued for 2 districts in Jharkhand state; advertisements for others will be released soon. This will give PACS an option to increase their economic activities and create new employment opportunities in rural areas.

On the initiative of the Ministry of Cooperation, the Ministry of Petroleum and Natural Gas gave consent on 13<sup>th</sup> March, 2023 to convert the existing bulk consumer licensee PACS into retail outlets. Government of India has invited online applications for converting the bulk consumer petrol pumps operated by PACS into retail outlets. So far, 109 PACS from 5 States having bulk consumer pumps have given consent for conversion into Retail Outlets, out of which 43 PACS have received Letter of Intent (LOI) from Oil Marketing Companies (OMCs). This provision will increase the profits of PACS and create new employment opportunities in rural areas.

In an important decision taken on 13 March 2023, PACS have also been given priority for petrol/diesel dealerships. Online applications were invited by Oil Marketing Companies (OMCs)/Petroleum Ministry by issuing advertisement for allotment of new Petrol/Diesel pumps under Combined Category 2 (CC-2) to PACS. Till now a total of 228 PACS from 24 States/UTs have applied. This provision will increase the profits of PACS and create new employment opportunities in rural areas.

In a meeting held on June 06, 2023 under the Chairmanship of the Minister of Cooperation Shri Amit Shah with the Ministry of Chemicals and Fertilizers, it was decided to open 1,000 Jan Aushadhi Kendras by August, 2023 and 2,000 Jan Aushadhi Kendras by December, 2023 at identified PACS. With this initiative, cheaper generic medicines will be available to the common people at the Village/Block level and PACS will get additional employment opportunities. Interested PACS have been identified and encouraged by the State Government to apply online. So far, 4289 PACS from 34 States/UTs have applied for Jan Aushadhi Kendra, out of which preliminary approval to 2293 PACS has also been given.

On June 06, 2023, in a meeting held under the Chairmanship of Minister of Cooperation Shri Amit Shah with the Minister of Chemicals and Fertilizers, it was decided to upgrade the PACS already functioning as fertilizer distribution centres as Pradhan Mantri Kisan Samridhi Kendras (PMKSK). It was also decided to make PACS act as drone entrepreneurs for spraying fertilizers and pesticides. Additionally, drones can also be used for property surveys. This will create new business opportunities for PACS and increase their profits. and 29,112 PACS are functioning as PMKSK. As per information provided by States/UTs, 29,119 PACS in 22 States/UTs have been upgraded to PMKSK; the remaining are in progress.

Dairy and Fisheries cooperative societies have also been made Bank Mitra of District Central Cooperative Banks and State Cooperative Banks. To ensure their ease of doing business, transparency and financial inclusion, Micro-ATMs are also being given to these Bank Mitra Cooperative Societies with support from NABARD to provide 'Door Step Financial Services'. Minister of Cooperation Shri Amit Shah inaugurated this Pilot project on July 12, 2023 with the distribution of the cards to the account holders of the Panchmahal and Banaskantha District Central Cooperative Banks. The target is to implement it nationwide. So far, more than 1723 Micro-ATMs have been distributed.

A Pilot project has been started by Minister of Cooperation Shri Amit Shah on 12<sup>th</sup> July, 2023 in Panchmahal and Banaskantha districts of Gujarat to expand the reach and capacity of Rural Cooperative Banks and to provide necessary liquidity to the members of rural Co-operative Societies. Under this project, Bank Accounts of all the members of the cooperative societies are being opened in the concerned District Central Cooperative Banks and with the support of NABARD, RuPay-Kisan Credit Cards (KCCs) are being distributed to the account holders. Through RuPay-Kisan Credit Card, loans will be available to members of the Cooperative Societies at reasonable rate and members can also use this Card for other financial transactions. This pilot project is targeted to be implemented nationwide in coming days. So far, 73,503 KCCs have been distributed.

In order to utilize the reach of PACS in rural areas, on the initiative of the Ministry of Cooperation and taking an important decision on 11<sup>th</sup> July, 2023, Ministry of Jal Shakti has written a Letter to all the States to make PACS eligible as 'Paani Samiti' to undertake the work of Operation and Maintenance (O&M) of Piped Water Supply schemes in rural areas. This step will strengthen the O&M work of water supply schemes in rural areas as well as create new employment opportunities for PACS. So far, 1,611 PACS have been selected/identified in 15 states; others are in process under this initiative.

The structure and reach of PACS, which have direct linkage with 13 Crore farmer members, can be leveraged to set up decentralized solar power plants at the Panchayat level. With this, farmers connected to PACS could be able to ensure their energy security. Further, PACS and its member farmers will get alternative sources of income. The Ministry of Cooperation is in discussion with the Ministry of New and Renewable Energy on this subject.

In order to provide market linkage and providing processing facilities to the fishermen, NCDC has registered 69 FFPOs in the initial phase. On 31<sup>st</sup> March, 2023, Department of Fisheries, Government of India has further allocated conversion of 1000 existing fisheries cooperative societies into FFPOs to NCDC, with an approved outlay of Rs. 225.50 crore.

### **(B) Three new Multi-State Cooperative Societies at the National Level**

**Under the leadership of Prime Minister Shri Narendra Modi and guidance of Minister of Cooperation Shri Amit Shah, the Ministry of Cooperation constituted three new Multi-State Cooperative Societies for Exports, Certified Seeds and Organic Products on 11<sup>th</sup> January, 2023.**

Under the Multi-State Cooperative Societies Act, 2002, a new National Cooperative Exports Limited (NECL) has been set up as an Umbrella organization to promote exports from the cooperative sector. Cooperative societies from Primary to National level including District, State, National level federations and Multi-State Cooperative Societies can become its members. Through this Society, the Export of farmers' products will be facilitated and the farmers will get better price for their products. So far, 2,624 applications for membership have been received from 22 States/UTs. In the Chairmanship of Minister of Cooperation, a National Seminar on Export through Cooperative was organized on 23<sup>rd</sup> October, 2023 in PUSA, New Delhi. As of November 17, 2023, the Department of Commerce has given permission to NCEL for the export of approximately 14.92 LMT of White Rice (non-Basmati) to various countries by way of notification issued by DGFT and 50,000 MT of Sugar each to Nepal & Bhutan under notification by Directorate of Sugar, DFPD.

Under the Multi-State Cooperative Societies Act, 2002, a new Bhartiya Beej Sahakari Samiti Limited (BBSSL) has been set up as an Umbrella organization for cultivation, production and distribution of improved seeds under a single brand name. Cooperative Societies (Primary, District and State level) of States/Union Territories can become its members. This Society will increase availability of improved seeds to the farmers, boost productivity of crops and enhance the income of the farmers. A National Seminar on the production of improved and traditional seeds in the cooperative sector was organized under the chairmanship of the Minister of Cooperation at Vigyan Bhawan, New Delhi on October 26, 2023.

The National Cooperative Organics Limited (NCOL) has been established under the Multi-State Cooperative Societies Act, 2002 as an Umbrella organization which will work for production, distribution and marketing of certified and authentic organic products. Primary to National level cooperative societies including District, State, National level federations, Multi-State Cooperative Societies, and Farmer Producer Organizations (FPOs) can become its members. This will increase production of organic products and increase the profit of the farmers. So far, 2,614 applications for membership have been received from 24 States/UTs. NCOL has launched sale of 06 products i.e., Toor Dal, Chana Dal, Sugar, Moong, Jowar Atta & Besan under Bharat Organics brand. A National Seminar on promoting organic products through cooperation was organized under the chairmanship of Minister of Cooperation, in Pusa, New Delhi on November 08, 2023.

### **(C) Relief in Income Tax Law for Co-operative Societies**

Minister of Cooperation Shri Amit Shah has made untiring efforts with the objective of bringing parity between cooperative sector and companies. The surcharge on Income Tax for Cooperative Societies with income from Rs 1 Crore to Rs 10 Crore has been reduced from 12% to 7% at par with Companies. This will reduce the burden of Income Tax on Cooperative Societies and more capital will be available with the societies to work for the benefit of the members.

In the Budget 2022-23, The Government of India, has reduced the Minimum Alternate Tax rate for Cooperative Societies from 18.5% to 15%. With this provision, now there is parity between Cooperative Societies and Companies in this regard. This will strengthen cooperative societies and Cooperative Sector will expand.

The limit for Cash Deposits and Cash Loans by PACS and Primary Cooperative Agriculture and Rural Development Banks (PCARDBs) has been increased from Rs 20,000 to Rs 2 lakh per member by the Government of India in the Budget 2023-24. This provision will facilitate their activities, increase their business and benefit the members of societies.

The Government of India in the Budget 2023-24 made provision that new manufacturing cooperative societies commencing manufacturing operations by March 31, 2024, will be taxed at a flat rate of 15% as against the existing tax rate of up to 30% with surcharge. With this provision, now there is parity between Cooperative Societies and companies in this regard. This will encourage the formation of new cooperative societies in the manufacturing sector.

Under the leadership of Prime Minister Shri Narendra Modi and the guidance of Minister of Cooperation Shri Amit Shah, Union Government through the Budget 2023-24, has increased the cash withdrawal limit of cooperative societies without deduction of tax at source from Rs.1 crore to Rs.3 crore per year. This provision will save Tax Deducted at Source (TDS) for cooperative societies, which they will be able to use to work for the benefit of their members.

Section 269ST of IT Act prohibits any person to receive an amount of Rs. 2 lakh and above in cash; in aggregate from a person in a day, or in a single transaction, or in respect of transactions relating to one event or occasion from a person. The Income Tax Department earlier treated the 'Contract' between a milk cooperative and its distributor as 'one event' and if the cumulative cash receipt, in all the transactions with that distributor, in the entire year was more than Rs. 2 lakh income tax penalty was imposed on such cooperatives. The Income Tax Department has issued a circular on 30<sup>th</sup> September, 2022 making it clear that now the 'Contract' made by cooperative societies with their distributors will not be considered as 'one event'. With this clarification, cash transaction less than 2 lakhs done by a cooperative society with its distributor in a day will be considered separately, and they will not be charged with income tax penalty. With this, State and District milk unions will now be able to receive payment less than Rs. 2 lakh per day in cash from their distributors and do payment in cash to member milk producers during Bank holidays.

### **(D) Strengthening of Office of Central Registrar of Cooperative Societies**

The office of the Central Registrar is responsible for administering the Multi State Co-operative Societies (MSCS) Act, 2002. The office of the Central Registrar is being computerized to create a digital ecosystem for Multi-State Cooperative Societies. This will help in processing applications and service requests in a time bound manner through electronic work flow at the Central Registrar's Office. It has provisions for OTP based user registration, verification check for compliance with MSCS Act and Rules, hearing through VC, issue of registration certificate and other communication, electronically. Minister of Cooperation Shri Amit Shah inaugurated

this digital portal on August 06, 2023.

The Multi-State Co-operative Societies (Amendment) Act, 2023 aims to amend Multi-State Co-operative Societies Act, 2002 to incorporate the provisions of the 97th Constitutional Amendment and to strengthen governance, increase transparency and accountability, improve election process, etc in Multi-State Cooperative Societies. This Bill was introduced in the Lok Sabha on December 7, 2022, and was referred to a Joint Parliamentary Committee of both the Houses on December 20, 2022. The Bill has been passed by the Lok Sabha on July 25, 2023 and by the Rajya Sabha on August 01, 2023. The Multi-State Co-operative Societies (Amendment) Act, 2023 has come into force from 3rd August, 2023.

### **(E) Revival of Cooperative Sugar Mills**

Cooperative Sugar Mills will not have to pay additional income tax on payment of higher sugarcane prices to farmers up to the fair and remunerative price or the State advised price. With this provision, Cooperative Sugar Mills will now be able to give higher price of sugarcane to their members and they will get income tax deduction on this higher expenditure. According to the clarification issued on 25.10.2021, this provision is applicable from 01.04.2016 and since then, farmer members are getting this benefit through cooperative sugar mills.

Under the leadership of Prime Minister Shri Narendra Modi and untiring efforts of Minister of Cooperation Shri Amit Shah, provision has been made through the Union Budget 2023-24 that the payments made by Cooperative Sugar Mills to sugarcane farmers before the assessment year 2016-17 will be allowed to be claimed as expenditure. For this, a new sub-section 19(1) has been included in Section 155 of Income Tax. CBDT has also issued Standard Operating Procedure in this regard on 27.07.2023. As per report given by National Federation of Cooperative Sugar Factories Limited this has benefited cooperative sugar mills to the tune of Rs. 46,524 Crore, thus resolving decade pending Income Tax issues.

Ministry of Cooperation has launched a new scheme named 'Grant-in-aid to NCDC for Strengthening of Cooperative Sugar Mills', under which Government of India would give grant of Rs.1,000 crore to NCDC during Financial Year 2022-23 and 2023-24. NCDC will use this grant to provide loans up to Rs. 10,000 crores to Cooperative Sugar Mills, which they will be able to use for setting up ethanol plants or for setting up cogeneration plants or for working capital or for all three purposes. So far, Rs. 3010.57 Crore has been approved by NCDC for 24 Cooperative Sugar Mills.

Cooperative Sugar Mills will be put at par with private companies for ethanol procurement by the Ministry of Petroleum under the Ethanol Blending Programme (EBP). Work is also being done on setting up cogeneration power plants from sugarcane bagasse. With these steps, the business of Cooperative Sugar Mills will expand and in result their profits will also increase.

The government has taken an important decision on 07<sup>th</sup> October, 2023 to reduce GST on molasses from the current rate of 28% to 5%. This will increase the liquidity of distilleries as molasses is the raw material for their operations. They will require less working capital due to lower GST. Cooperative sugar mills which do not have ethanol or distillery plants can earn more profits by selling their molasses to distilleries with higher margins.

### **(F) Redressal of difficulties faced by Co-operative Banks**

**Under the leadership of Prime Minister Shri Narendra Modi and untiring efforts of the Minister of Cooperation Shri Amit Shah, many important decisions have been taken by RBI to resolve the difficulties being faced by the Cooperative Banks in their business.**

The Government of India vide Notification dated 04<sup>th</sup> September, 2023-Urban co-operative banks that meet FSWM criteria and have maintained the minimum deposits required for classification as Tier 3 for the last two years are now eligible to get 'Scheduled' status.

On 11th August, 2023, RBI has accorded approval to the National Federation of Urban Co-operative Banks and Credit Societies Ltd. (NAFCUB) for the formation of an Umbrella Organization (UO) for the UCB sector, which will provide necessary IT infrastructure and operation support to around 1,500 UCBs.

### **(G) Expansion of National Cooperative Development Corporation (NCDC)**

New schemes for Cooperative Societies have been started by NCDC in various sectors such as 'Swayamshakti Sahakar' for self-help groups; 'Dirghavadhi Krishak Sahakar' for long term agricultural credit; 'Dairy Sahakar' for dairy and 'Nandini Sahakar' for women's cooperative institutions etc. In the financial year 2022-23, NCDC disbursed financial assistance of Rs.41,025 crore which is almost 20% higher than the disbursement of Rs.34,221 crore in 2021-22. The target is to disburse Rs 50,000 crore loan in the year 2023-24. All States and State Cooperative Societies can avail loan schemes of NCDC.

As per the directions issued on 28<sup>th</sup> April, 2023, NCDC is providing financial assistance for projects related to deep sea trawlers in coordination with the Department of Fisheries, Government of India. NCDC has already sanctioned financial assistance of Rs 20.30 crore for purchase of 14 deep sea trawlers for the Fisheries Cooperative Societies of Maharashtra.

### **(H) Inclusion of Cooperative Societies as 'Buyer' on GeM Portal**

### **(I) New National Cooperation Policy and New National Cooperative Database**

In order to realize Prime Minister Shri Narendra Modi's vision of 'Prosperity through Cooperation', Minister of Cooperation Shri Amit Shah has decided to formulate a new Cooperation Policy in the country. A Multidisciplinary and National level committee consisting of 49 members comprising experts and stakeholders from different States and across the Country has been constituted under the leadership of former Union Minister Shri Suresh Prabhu to formulate the New Cooperation Policy to realize the concept of 'Prosperity through Cooperation'. So far, 17 meetings of the Expert Committee have been held, during which detailed discussions were held with the stakeholders and the new National Cooperation Policy is expected to be ready soon.

Minister of Cooperation Shri Amit Shah believes that a database is necessary for the planned development of any sector of the Cooperatives and therefore, the work on developing a comprehensive, authentic and updated National Cooperative Database is being done in a phased manner by the Ministry of Cooperation with the assistance of State

Governments. Under the First Phase, mapping of about 2.64 lakh societies of PACS, dairy and fisheries was completed in February, 2023. In the Second Phase, mapping of National Cooperative Societies and Federations was completed. So far, in the last phase, about 7.88 lakh cooperative societies have been included in the database.

### **(J) Education and Training in the Cooperative Sector**

Minister of Cooperation Shri Amit Shah is of the view that planned development and empowerment of the Cooperative sector can happen only with trained manpower for which it is being planned to establish National Cooperative University for Cooperative education, training, consultancy, research and development. This University will ensure a sustainable, adequate and quality supply of trained manpower and work for capacity building of the existing personnel. This University will be first of its kind, a specialized University in the cooperative sector.

The National Council for Cooperative Training (NCCT), an autonomous institute under the Ministry of Cooperation, organizes cooperative education and training programs for personnel, members and board members of Cooperative Societies across the country, including personnel from Cooperative Departments of States/UTs. It conducts these programs through its 20 constituent training institutes (1 National Level-VAMNICOM, 14 State Level and 5 Regional Level) spread across the country. NCCT conducted 3287 training programs in the year 2022-23 against the target of 1740 training programs. In addition, during this period, the Council provided training to about 2,01,507 participants, which is five times more than the scheduled 43,500 participants.

To take the initiatives of the Ministry of Cooperation to the general public, NCCT published 370 articles in 12 different languages in more than 100 newspapers, whose total circulation was about 10 crores.

### **(K) Other Initiatives**

To strengthen the Long-term Cooperative Credit structure, the Ministry of Cooperation has approved a Centrally Sponsored Scheme for computerization of Agriculture and Rural Development Banks (ARDBs) on 08<sup>th</sup> October, 2023. It will have various components such as hardware procurement, comprehensive Enterprise Resource Planning (ERP) solutions, digitization, providing training and support, and maintenance of software, etc. 25 percent of the expenditure incurred in this scheme will be borne by the ARDBs and the remaining 75 percent by the Central and State governments. Computerization will provide various benefits to ARDBs, such as increased efficiency, faster loan disbursement, reduced transaction costs, increased transparency and lower imbalances of payments, etc.

To increase ease of doing business for Cooperative Societies and create a digital ecosystem for transparent paperless regulation in all States/Union Territories, Ministry of Cooperation on 08<sup>th</sup> October, 2023 has approved a Centrally Sponsored Scheme for computerization of offices of Registrar of Cooperative Societies of all States/UTs. The software developed under this scheme will be based on the Cooperative Act of the respective State/UT.

Under the guidance of Prime Minister Shri Narendra Modi and leadership of Minister of



Cooperation Shri Amit Shah, Ministry of Cooperation filed a Petition in the Supreme Court and on the petition of the Ministry of Cooperation, the Supreme Court vide order dated 29.03.2023, directed to transfer Rs 5000 crore from Sahara-SEBI refund account to the Central Registrar of Co-operative Societies for disbursement of valid dues of the depositors of 4 Cooperative Societies of Sahara Group (Sahara Credit Cooperative Ltd., Saharayan Universal Multipurpose Society Ltd., Hamara India Credit Cooperative Society Ltd. and Stars Multipurpose Cooperative Society Ltd.).

Minister of Cooperation Shri Amit Shah launched the 'Central Registrar - Sahara Refund Portal' (<https://mocrefund.crcs.gov.in>) in New Delhi on 18th July, 2023. Stockholding Documents Management Services Ltd. (SDMSL) has been engaged to develop a transparent digital system (portal) under the supervision and monitoring of former Justice for disbursement by the Central Registrar in compliance with the order of the Supreme Court. Four Officers on Special Duty (OSDs) have also been appointed by the Central Registrar for each of the above cooperative societies to supervise the refund process. The process of first phase payment to the depositors has started from August 04, 2023. Till 11.12.2023, Claims for Rs.81291.50 Crore have been received on 'CRCS-Sahara Refund Portal' from 3.35 Crore depositors. An amount of Rs. 215 Crore has been released to 2,36,066 depositors of Sahara Group of Cooperative Societies.

### **Implementation Strategy**

1. A "Chintan Shivir" was organized on March 09, 2023 under the Chairmanship of the Minister of Cooperation. All the Directors/Deputy Secretaries of the Ministry gave presentations on their respective works and received guidance from the Minister of Cooperation on their presentations. Ministry prepared an action plan based on the important suggestions received in the Chintan Shiver and started implementation on it.
2. Letters have been written by the Minister of Cooperation to the Chief Ministers of all the states for the successful implementation of the Initiatives of the Ministry. Secretary (Cooperation) has also written to the Chief Secretary and other concerned officers for the implementation of the schemes from time to time.
3. **At National Level, regular review meetings under the Chairmanship of Secretary (Cooperation) are being held with concerned Departments, Agencies and the State Governments. So far 11 review meetings have been held with all the states.**
4. **At State Level, State Cooperative Development Committees (SCDC) have been constituted under the chairmanship of the concerned Chief Secretary with Principal Secretary (Cooperation), Registrar Cooperative Societies (RCS), representatives of NABARD/NCDC etc. and Heads of concerned line departments. So far, 31 meetings of State Cooperative Development Committees have been held.**
5. **At District Level, District Cooperative Development Committees (DCDC) have been constituted under the chairmanship of the concerned District Collector with District Registrar Cooperative Societies (DRCS) and Heads of concerned line departments. Till now, 823 meetings of District Cooperative Development Committees have been held.**

**Major programs related to Cooperation and the Ministry of Cooperation:**

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## **RK/ ASH/ AKS/RR/ PR/ AK**

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Under the leadership of Prime Minister Shri Narendra Modi, the Cabinet on 15th February, 2023 approved this scheme with the target of setting up new Multi-purpose PACS/Dairy/Fisheries Cooperative Societies in the Panchayats/Villages not covered so far, in the next 5 years. Under

this, various schemes of the Government of India will be converged at the level of primary Cooperative Societies. Inter-Ministerial Committee (IMC), National Level Coordination Committee (NLCC), State Level Cooperative Development Committees (SCDC) and District Level Cooperative Development Committees (DCDC) have been formed for the implementation of this scheme. As per the directions of Minister of Cooperation meetings are being held by the Ministry with all the States. Action plan related to the establishment of new Societies has been prepared by NABARD, NDDDB and NFDB and under this scheme, the work of formation of 9,961 new multipurpose PACS/Dairy/Fisheries Cooperative Societies is going on in 23 States/Union Territories.

Under the leadership of Prime Minister Shri Narendra Modi, the Cabinet on 31st May, 2023 approved the World's largest food storage scheme in the Cooperative sector. Under this scheme, different types of agricultural infrastructure such as godowns, custom hiring centres, processing units, fair price shops, etc. will be created by convergence of various schemes of the Government of India at the PACS level. Minister of Cooperation Shri Amit Shah is giving special emphasis on this scheme as he believes that it will ensure food security of the country, reduce wastage of food grains, result in better price for farmers for their produce and meet various agricultural needs at the PACS level itself. For the implementation of this scheme, a Pilot project is going on in 24 PACS of 24 States/Union Territories with the cooperation of the states, out of which construction work has started in 13 States. Further, 1779 PACS have been identified in 27 States/UTs for participation in second phase of Pilot Project. This scheme is being coordinated by Inter-Ministerial Committee (IMC), National Level Coordination Committee (NLCC), State Level Cooperative Development Committee (SCDC) and District Level Cooperative Development Committee (DCDC).

In the presence of Minister of Cooperation Shri Amit Shah, MoU has been signed on 02.02.2023 between Ministry of Cooperation, Ministry of Electronics and Information Technology, NABARD and CSC e-Governance Services India Limited for providing CSC services through PACS, after which PACS have now become capable of providing more than 300 e-services provided by CSC. Till date more than 48,000 PACS have been onboarded as CSC and the work on onboarding of other PACS is also in progress. The onboarded PACS are also being provided training by CSC-SPV and NABARD. More than 25,000 PACS have started providing services as CSCs and transactions worth Rs 10.08 crore have been done through these PACS. Minister of Cooperation Shri Amit Shah inaugurated this project on July 21, 2023 at Vigyan Bhawan, New Delhi. There is a plan to provide CSC facilities through all the functional PACS/LAMPS of the country which are being computerized by January 2024.

Under the FPO scheme, it has been decided to allot 1100 additional FPOs to the National Cooperative Development Corporation (NCDC) in cooperative sector. Now, PACS will be able to do other economic activities related to agriculture as FPOs. This initiative will also be helpful in providing the members of the cooperative societies with the necessary market linkage to get fair and remunerative prices for their produce. Minister of Cooperation Shri Amit Shah inaugurated this project on July 14, 2023 at IECC, Pragati Maidan, New Delhi. An action plan has been prepared by NCDC for formation of FPOs in 629 uncovered blocks of 16 states/union territories.

Under the guidance of Minister of Cooperation Shri Amit Shah, the Ministry of Cooperation is working with a strong commitment to increase the coverage of PACS. Making PACS eligible for LPG distributorship by the decision taken on 13<sup>th</sup> March, 2023 is an important step towards this direction. Petroleum Ministry has amended its rules to make PACS eligible for LPG distributorship, after which PACS will also be able to distribute LPG. Guidelines have been issued for obtaining LPG distributorship by PACS. Advertisement has been issued for 2 districts

in Jharkhand state; advertisements for others will be released soon. This will give PACS an option to increase their economic activities and create new employment opportunities in rural areas.

On the initiative of the Ministry of Cooperation, the Ministry of Petroleum and Natural Gas gave consent on 13<sup>th</sup> March, 2023 to convert the existing bulk consumer licensee PACS into retail outlets. Government of India has invited online applications for converting the bulk consumer petrol pumps operated by PACS into retail outlets. So far, 109 PACS from 5 States having bulk consumer pumps have given consent for conversion into Retail Outlets, out of which 43 PACS have received Letter of Intent (LOI) from Oil Marketing Companies (OMCs). This provision will increase the profits of PACS and create new employment opportunities in rural areas.

In an important decision taken on 13 March 2023, PACS have also been given priority for petrol/diesel dealerships. Online applications were invited by Oil Marketing Companies (OMCs)/Petroleum Ministry by issuing advertisement for allotment of new Petrol/Diesel pumps under Combined Category 2 (CC-2) to PACS. Till now a total of 228 PACS from 24 States/UTs have applied. This provision will increase the profits of PACS and create new employment opportunities in rural areas.

In a meeting held on June 06, 2023 under the Chairmanship of the Minister of Cooperation Shri Amit Shah with the Ministry of Chemicals and Fertilizers, it was decided to open 1,000 Jan Aushadhi Kendras by August, 2023 and 2,000 Jan Aushadhi Kendras by December, 2023 at identified PACS. With this initiative, cheaper generic medicines will be available to the common people at the Village/Block level and PACS will get additional employment opportunities. Interested PACS have been identified and encouraged by the State Government to apply online. So far, 4289 PACS from 34 States/UTs have applied for Jan Aushadhi Kendra, out of which preliminary approval to 2293 PACS has also been given.

On June 06, 2023, in a meeting held under the Chairmanship of Minister of Cooperation Shri Amit Shah with the Minister of Chemicals and Fertilizers, it was decided to upgrade the PACS already functioning as fertilizer distribution centres as Pradhan Mantri Kisan Samridhi Kendras (PMKSK). It was also decided to make PACS act as drone entrepreneurs for spraying fertilizers and pesticides. Additionally, drones can also be used for property surveys. This will create new business opportunities for PACS and increase their profits. and 29,112 PACS are functioning as PMKSK. As per information provided by States/UTs, 29,119 PACS in 22 States/UTs have been upgraded to PMKSK; the remaining are in progress.

Dairy and Fisheries cooperative societies have also been made Bank Mitra of District Central Cooperative Banks and State Cooperative Banks. To ensure their ease of doing business, transparency and financial inclusion, Micro-ATMs are also being given to these Bank Mitra Cooperative Societies with support from NABARD to provide 'Door Step Financial Services'. Minister of Cooperation Shri Amit Shah inaugurated this Pilot project on July 12, 2023 with the distribution of the cards to the account holders of the Panchmahal and Banaskantha District Central Cooperative Banks. The target is to implement it nationwide. So far, more than 1723 Micro-ATMs have been distributed.

A Pilot project has been started by Minister of Cooperation Shri Amit Shah on 12<sup>th</sup> July, 2023 in Panchmahal and Banaskantha districts of Gujarat to expand the reach and capacity of Rural Cooperative Banks and to provide necessary liquidity to the members of rural Co-operative Societies. Under this project, Bank Accounts of all the members of the cooperative societies are being opened in the concerned District Central Cooperative Banks and with the support of NABARD, Rupay-Kisan Credit Cards (KCCs) are being distributed to the account holders. Through RuPay-Kisan Credit Card, loans will be available to members of the Cooperative

Societies at reasonable rate and members can also use this Card for other financial transactions. This pilot project is targeted to be implemented nationwide in coming days. So far, 73,503 KCCs have been distributed.

In order to utilize the reach of PACS in rural areas, on the initiative of the Ministry of Cooperation and taking an important decision on 11<sup>th</sup> July, 2023, Ministry of Jal Shakti has written a Letter to all the States to make PACS eligible as 'Paani Samiti' to undertake the work of Operation and Maintenance (O&M) of Piped Water Supply schemes in rural areas. This step will strengthen the O&M work of water supply schemes in rural areas as well as create new employment opportunities for PACS. So far, 1,611 PACS have been selected/identified in 15 states; others are in process under this initiative.

The structure and reach of PACS, which have direct linkage with 13 Crore farmer members, can be leveraged to set up decentralized solar power plants at the Panchayat level. With this, farmers connected to PACS could be able to ensure their energy security. Further, PACS and its member farmers will get alternative sources of income. The Ministry of Cooperation is in discussion with the Ministry of New and Renewable Energy on this subject.

In order to provide market linkage and providing processing facilities to the fishermen, NCDC has registered 69 FFPOs in the initial phase. On 31<sup>st</sup> March, 2023, Department of Fisheries, Government of India has further allocated conversion of 1000 existing fisheries cooperative societies into FFPOs to NCDC, with an approved outlay of Rs. 225.50 crore.

### **(B) Three new Multi-State Cooperative Societies at the National Level**

**Under the leadership of Prime Minister Shri Narendra Modi and guidance of Minister of Cooperation Shri Amit Shah, the Ministry of Cooperation constituted three new Multi-State Cooperative Societies for Exports, Certified Seeds and Organic Products on 11<sup>th</sup> January, 2023.**

Under the Multi-State Cooperative Societies Act, 2002, a new National Cooperative Exports Limited (NECL) has been set up as an Umbrella organization to promote exports from the cooperative sector. Cooperative societies from Primary to National level including District, State, National level federations and Multi-State Cooperative Societies can become its members. Through this Society, the Export of farmers' products will be facilitated and the farmers will get better price for their products. So far, 2,624 applications for membership have been received from 22 States/UTs. In the Chairmanship of Minister of Cooperation, a National Seminar on Export through Cooperative was organized on 23<sup>rd</sup> October, 2023 in PUSA, New Delhi. As of November 17, 2023, the Department of Commerce has given permission to NCEL for the export of approximately 14.92 LMT of White Rice (non-Basmati) to various countries by way of notification issued by DGFT and 50,000 MT of Sugar each to Nepal & Bhutan under notification by Directorate of Sugar, DFPD.

Under the Multi-State Cooperative Societies Act, 2002, a new Bhartiya Beej Sahakari Samiti Limited (BBSSL) has been set up as an Umbrella organization for cultivation, production and distribution of improved seeds under a single brand name. Cooperative Societies (Primary, District and State level) of States/Union Territories can become its members. This Society will increase availability of improved seeds to the farmers, boost productivity of crops and enhance the income of the farmers. A National Seminar on the production of improved and traditional seeds in the cooperative sector was organized under the chairmanship of the Minister of Cooperation at Vigyan Bhawan, New Delhi on October 26, 2023.

The National Cooperative Organics Limited (NCOL) has been established under the Multi-State Cooperative Societies Act, 2002 as an Umbrella organization which will work for production, distribution and marketing of certified and authentic organic products. Primary to National level cooperative societies including District, State, National level federations, Multi-State Cooperative Societies, and Farmer Producer Organizations (FPOs) can become its members. This will increase production of organic products and increase the profit of the farmers. So far, 2,614 applications for membership have been received from 24 States/UTs. NCOL has launched sale of 06 products i.e., Toor Dal, Chana Dal, Sugar, Moong, Jowar Atta & Besan under Bharat Organics brand. A National Seminar on promoting organic products through cooperation was organized under the chairmanship of Minister of Cooperation, in Pusa, New Delhi on November 08, 2023.

### **(C) Relief in Income Tax Law for Co-operative Societies**

Minister of Cooperation Shri Amit Shah has made untiring efforts with the objective of bringing parity between cooperative sector and companies. The surcharge on Income Tax for Cooperative Societies with income from Rs 1 Crore to Rs 10 Crore has been reduced from 12% to 7% at par with Companies. This will reduce the burden of Income Tax on Cooperative Societies and more capital will be available with the societies to work for the benefit of the members.

In the Budget 2022-23, The Government of India, has reduced the Minimum Alternate Tax rate for Cooperative Societies from 18.5% to 15%. With this provision, now there is parity between Cooperative Societies and Companies in this regard. This will strengthen cooperative societies and Cooperative Sector will expand.

The limit for Cash Deposits and Cash Loans by PACS and Primary Cooperative Agriculture and Rural Development Banks (PCARDBs) has been increased from Rs 20,000 to Rs 2 lakh per member by the Government of India in the Budget 2023-24. This provision will facilitate their activities, increase their business and benefit the members of societies.

The Government of India in the Budget 2023-24 made provision that new manufacturing cooperative societies commencing manufacturing operations by March 31, 2024, will be taxed at a flat rate of 15% as against the existing tax rate of up to 30% with surcharge. With this provision, now there is parity between Cooperative Societies and companies in this regard. This will encourage the formation of new cooperative societies in the manufacturing sector.

Under the leadership of Prime Minister Shri Narendra Modi and the guidance of Minister of Cooperation Shri Amit Shah, Union Government through the Budget 2023-24, has increased the cash withdrawal limit of cooperative societies without deduction of tax at source from Rs.1 crore to Rs.3 crore per year. This provision will save Tax Deducted at Source (TDS) for cooperative societies, which they will be able to use to work for the benefit of their members.

Section 269ST of IT Act prohibits any person to receive an amount of Rs. 2 lakh and above in cash; in aggregate from a person in a day, or in a single transaction, or in respect of transactions relating to one event or occasion from a person. The Income Tax Department earlier treated the 'Contract' between a milk cooperative and its distributor as 'one event' and if the cumulative cash receipt, in all the transactions with that distributor, in the entire year was more than Rs. 2 lakh income tax penalty was imposed on such cooperatives. The Income Tax Department has issued a circular on 30<sup>th</sup> September, 2022 making it clear that now the 'Contract' made by cooperative societies with their distributors will not be considered as 'one event'. With this clarification, cash transaction less than 2 lakhs done by a cooperative society with its distributor in a day will be considered separately, and they will not be charged with income tax penalty. With this, State and

District milk unions will now be able to receive payment less than Rs. 2 lakh per day in cash from their distributors and do payment in cash to member milk producers during Bank holidays.

#### **(D) Strengthening of Office of Central Registrar of Cooperative Societies**

The office of the Central Registrar is responsible for administering the Multi State Co-operative Societies (MSCS) Act, 2002. The office of the Central Registrar is being computerized to create a digital ecosystem for Multi-State Cooperative Societies. This will help in processing applications and service requests in a time bound manner through electronic work flow at the Central Registrar's Office. It has provisions for OTP based user registration, verification check for compliance with MSCS Act and Rules, hearing through VC, issue of registration certificate and other communication, electronically. Minister of Cooperation Shri Amit Shah inaugurated this digital portal on August 06, 2023.

The Multi-State Co-operative Societies (Amendment) Act, 2023 aims to amend Multi-State Co-operative Societies Act, 2002 to incorporate the provisions of the 97th Constitutional Amendment and to strengthen governance, increase transparency and accountability, improve election process, etc in Multi-State Cooperative Societies. This Bill was introduced in the Lok Sabha on December 7, 2022, and was referred to a Joint Parliamentary Committee of both the Houses on December 20, 2022. The Bill has been passed by the Lok Sabha on July 25, 2023 and by the Rajya Sabha on August 01, 2023. The Multi-State Co-operative Societies (Amendment) Act, 2023 has come into force from 3rd August, 2023.

#### **(E) Revival of Cooperative Sugar Mills**

Cooperative Sugar Mills will not have to pay additional income tax on payment of higher sugarcane prices to farmers up to the fair and remunerative price or the State advised price. With this provision, Cooperative Sugar Mills will now be able to give higher price of sugarcane to their members and they will get income tax deduction on this higher expenditure. According to the clarification issued on 25.10.2021, this provision is applicable from 01.04.2016 and since then, farmer members are getting this benefit through cooperative sugar mills.

Under the leadership of Prime Minister Shri Narendra Modi and untiring efforts of Minister of Cooperation Shri Amit Shah, provision has been made through the Union Budget 2023-24 that the payments made by Cooperative Sugar Mills to sugarcane farmers before the assessment year 2016-17 will be allowed to be claimed as expenditure. For this, a new sub-section 19(1) has been included in Section 155 of Income Tax. CBDT has also issued Standard Operating Procedure in this regard on 27.07.2023. As per report given by National Federation of Cooperative Sugar Factories Limited this has benefited cooperative sugar mills to the tune of Rs. 46,524 Crore, thus resolving decade pending Income Tax issues.

Ministry of Cooperation has launched a new scheme named 'Grant-in-aid to NCDC for Strengthening of Cooperative Sugar Mills', under which Government of India would give grant of Rs.1,000 crore to NCDC during Financial Year 2022-23 and 2023-24. NCDC will use this grant to provide loans up to Rs. 10,000 crores to Cooperative Sugar Mills, which they will be able to use for setting up ethanol plants or for setting up cogeneration plants or for working capital or for all three purposes. So far, Rs. 3010.57 Crore has been approved by NCDC for 24 Cooperative Sugar Mills.

Cooperative Sugar Mills will be put at par with private companies for ethanol procurement by the Ministry of Petroleum under the Ethanol Blending Programme (EBP). Work is also being done on setting up cogeneration power plants from sugarcane bagasse. With these steps, the business of Cooperative Sugar Mills will expand and in result their profits will also increase.

The government has taken an important decision on 07<sup>th</sup> October, 2023 to reduce GST on molasses from the current rate of 28% to 5%. This will increase the liquidity of distilleries as molasses is the raw material for their operations. They will require less working capital due to lower GST. Cooperative sugar mills which do not have ethanol or distillery plants can earn more profits by selling their molasses to distilleries with higher margins.

### **(F) Redressal of difficulties faced by Co-operative Banks**

**Under the leadership of Prime Minister Shri Narendra Modi and untiring efforts of the Minister of Cooperation Shri Amit Shah, many important decisions have been taken by RBI to resolve the difficulties being faced by the Cooperative Banks in their business.**

The Government of India vide Notification dated 04<sup>th</sup> September, 2023-Urban co-operative banks that meet FSWM criteria and have maintained the minimum deposits required for classification as Tier 3 for the last two years are now eligible to get 'Scheduled' status.

On 11th August, 2023, RBI has accorded approval to the National Federation of Urban Co-operative Banks and Credit Societies Ltd. (NAFCUB) for the formation of an Umbrella Organization (UO) for the UCB sector, which will provide necessary IT infrastructure and operation support to around 1,500 UCBs.

### **(G) Expansion of National Cooperative Development Corporation (NCDC)**

New schemes for Cooperative Societies have been started by NCDC in various sectors such as 'Swayamshakti Sahakar' for self-help groups; 'Dirghavadhi Krishak Sahakar' for long term agricultural credit; 'Dairy Sahakar' for dairy and 'Nandini Sahakar' for women's cooperative institutions etc. In the financial year 2022-23, NCDC disbursed financial assistance of Rs.41,025 crore which is almost 20% higher than the disbursement of Rs.34,221 crore in 2021-22. The target is to disburse Rs 50,000 crore loan in the year 2023-24. All States and State Cooperative Societies can avail loan schemes of NCDC.

As per the directions issued on 28<sup>th</sup> April, 2023, NCDC is providing financial assistance for projects related to deep sea trawlers in coordination with the Department of Fisheries, Government of India. NCDC has already sanctioned financial assistance of Rs 20.30 crore for purchase of 14 deep sea trawlers for the Fisheries Cooperative Societies of Maharashtra.

### **(H) Inclusion of Cooperative Societies as 'Buyer' on GeM Portal**

### **(I) New National Cooperation Policy and New National Cooperative Database**

In order to realize Prime Minister Shri Narendra Modi's vision of 'Prosperity through Cooperation', Minister of Cooperation Shri Amit Shah has decided to formulate a new Cooperation Policy in the country. A Multidisciplinary and National level committee



consisting of 49 members comprising experts and stakeholders from different States and across the Country has been constituted under the leadership of former Union Minister Shri Suresh Prabhu to formulate the New Cooperation Policy to realize the concept of 'Prosperity through Cooperation'. So far, 17 meetings of the Expert Committee have been held, during which detailed discussions were held with the stakeholders and the new National Cooperation Policy is expected to be ready soon.

Minister of Cooperation Shri Amit Shah believes that a database is necessary for the planned development of any sector of the Cooperatives and therefore, the work on developing a comprehensive, authentic and updated National Cooperative Database is being done in a phased manner by the Ministry of Cooperation with the assistance of State Governments. Under the First Phase, mapping of about 2.64 lakh societies of PACS, dairy and fisheries was completed in February, 2023. In the Second Phase, mapping of National Cooperative Societies and Federations was completed. So far, in the last phase, about 7.88 lakh cooperative societies have been included in the database.

### **(J) Education and Training in the Cooperative Sector**

Minister of Cooperation Shri Amit Shah is of the view that planned development and empowerment of the Cooperative sector can happen only with trained manpower for which it is being planned to establish National Cooperative University for Cooperative education, training, consultancy, research and development. This University will ensure a sustainable, adequate and quality supply of trained manpower and work for capacity building of the existing personnel. This University will be first of its kind, a specialized University in the cooperative sector.

The National Council for Cooperative Training (NCCT), an autonomous institute under the Ministry of Cooperation, organizes cooperative education and training programs for personnel, members and board members of Cooperative Societies across the country, including personnel from Cooperative Departments of States/UTs. It conducts these programs through its 20 constituent training institutes (1 National Level-VAMNICOM, 14 State Level and 5 Regional Level) spread across the country. NCCT conducted 3287 training programs in the year 2022-23 against the target of 1740 training programs. In addition, during this period, the Council provided training to about 2,01,507 participants, which is five times more than the scheduled 43,500 participants.

To take the initiatives of the Ministry of Cooperation to the general public, NCCT published 370 articles in 12 different languages in more than 100 newspapers, whose total circulation was about 10 crores.

### **(K) Other Initiatives**

To strengthen the Long-term Cooperative Credit structure, the Ministry of Cooperation has approved a Centrally Sponsored Scheme for computerization of Agriculture and Rural Development Banks (ARDBs) on 08<sup>th</sup> October, 2023. It will have various components such as hardware procurement, comprehensive Enterprise Resource Planning (ERP) solutions, digitization, providing training and support, and maintenance of software, etc. 25 percent of the expenditure incurred in this scheme will be borne by the ARDBs and the remaining 75 percent by the Central and State governments. Computerization will provide various benefits to ARDBs, such as increased efficiency, faster loan disbursement, reduced transaction costs, increased transparency and lower imbalances of payments, etc.

To increase ease of doing business for Cooperative Societies and create a digital ecosystem for transparent paperless regulation in all States/Union Territories, Ministry of Cooperation on 08<sup>th</sup> October, 2023 has approved a Centrally Sponsored Scheme for computerization of offices of Registrar of Cooperative Societies of all States/UTs. The software developed under this scheme will be based on the Cooperative Act of the respective State/UT.

Under the guidance of Prime Minister Shri Narendra Modi and leadership of Minister of Cooperation Shri Amit Shah, Ministry of Cooperation filed a Petition in the Supreme Court and on the petition of the Ministry of Cooperation, the Supreme Court vide order dated 29.03.2023, directed to transfer Rs 5000 crore from Sahara-SEBI refund account to the Central Registrar of Co-operative Societies for disbursement of valid dues of the depositors of 4 Cooperative Societies of Sahara Group (Sahara Credit Cooperative Ltd., Saharayan Universal Multipurpose Society Ltd., Hamara India Credit Cooperative Society Ltd. and Stars Multipurpose Cooperative Society Ltd.).

Minister of Cooperation Shri Amit Shah launched the 'Central Registrar - Sahara Refund Portal' (<https://mocrefund.crcs.gov.in>) in New Delhi on 18th July, 2023. Stockholding Documents Management Services Ltd. (SDMSL) has been engaged to develop a transparent digital system (portal) under the supervision and monitoring of former Justice for disbursement by the Central Registrar in compliance with the order of the Supreme Court. Four Officers on Special Duty (OSDs) have also been appointed by the Central Registrar for each of the above cooperative societies to supervise the refund process. The process of first phase payment to the depositors has started from August 04, 2023. Till 11.12.2023, Claims for Rs.81291.50 Crore have been received on 'CRCS-Sahara Refund Portal' from 3.35 Crore depositors. An amount of Rs. 215 Crore has been released to 2,36,066 depositors of Sahara Group of Cooperative Societies.

### Implementation Strategy

1. A "Chintan Shivir" was organized on March 09, 2023 under the Chairmanship of the Minister of Cooperation. All the Directors/Deputy Secretaries of the Ministry gave presentations on their respective works and received guidance from the Minister of Cooperation on their presentations. Ministry prepared an action plan based on the important suggestions received in the Chintan Shiver and started implementation on it.
2. Letters have been written by the Minister of Cooperation to the Chief Ministers of all the states for the successful implementation of the Initiatives of the Ministry. Secretary (Cooperation) has also written to the Chief Secretary and other concerned officers for the implementation of the schemes from time to time.
3. **At National Level, regular review meetings under the Chairmanship of Secretary (Cooperation) are being held with concerned Departments, Agencies and the State Governments. So far 11 review meetings have been held with all the states.**
4. **At State Level, State Cooperative Development Committees (SCDC) have been constituted under the chairmanship of the concerned Chief Secretary with Principal**

Secretary (Cooperation), Registrar Cooperative Societies (RCS), representatives of NABARD/NCDC etc. and Heads of concerned line departments. So far, 31 meetings of State Cooperative Development Committees have been held.

5. At District Level, District Cooperative Development Committees (DCDC) have been constituted under the chairmanship of the concerned District Collector with District Registrar Cooperative Societies (DRCS) and Heads of concerned line departments. Till now, 823 meetings of District Cooperative Development Committees have been held.

Major programs related to Cooperation and the Ministry of Cooperation:

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