

Sahkar-se-Samridhi drive gathering momentum: HM

By TIOL News Service

NEW DELHI, AUG 04, 2022:

In order to revitalize the cooperative sector, bringing transparency, modernization, computerization, creating competitive cooperatives and deepening its reach to the grassroots across the country including the State of Uttarakhand, the Ministry of Cooperation has been taking various initiatives under 'Sahkar-se-Samridhi' including interalia:

1. On 1st June, 2022, Union Cabinet has taken a decision allowing cooperatives to register as 'buyer' on Government e-Marketing platform, enabling them to procure goods and services from about 40 lakh vendors registered on the GeM portal throughout the country. This will help cooperatives in making savings and improving transparency in their procurement system.
2. A centrally sponsored project "Computerization of Primary Agriculture Credit Societies (PACS)" has been launched on 29th June, 2022 with a budgetary outlay of Rs 2,516 crores for digitalization of 63,000 functional PACS which are at the bottom of the three-tier rural credit structure.
3. Draft model bye-laws for PACS are being prepared in consultation with the State Governments, National Cooperative Federations and all other stakeholders to diversify their activities and make them vibrant multi-purpose economic entities at village level.
4. Government vide its notification dated 25th October, 2021 offered a major relief to cooperative sugar mills by clarifying that sugar co-operative mills shall not be subjected to additional income tax for paying higher sugarcane prices to farmers upto to the Fair and Remunerative Price (FRP) or State Advised Price (SAP), as the case may be.
5. Surcharge on Co-operative societies was reduced from 12 % to 7% for those cooperative societies having a total income of more than Rs. 1 Cr. and up to Rs. 10 Cr. to enhance the income of Co-operative societies and its members.
6. Minimum Alternate Tax (MAT) rate reduced for the Co-operatives from 18.5% to 15% to provide them a level playing field with Corporates.
7. In order to provide adequate, affordable and timely credit to the co-operative institutions to give a boost to the co-operative based economic development model, non-scheduled Urban Co-operative Banks, State Co-operative Banks and District Central Co-operative Banks has been notified as Member Lending Institutions in Guarantee Fund Trust (CGTMSE) Scheme vide circular dated 3rd February, 2022.
8. On 8th June, 2022, Government of India has taken decisions in the co-operative banking sector to give new impetus to the development of cooperatives viz:
 - a. The limit of individual housing loan has been doubled for Urban Co-operative Banks (UCBs) and Rural Co-operative Banks (RCBs) State Cooperative Banks and District Central Cooperative Banks).
 - b. The RCBs have been allowed to lend to Commercial Real Estate Residential Housing sector.
 - c. UCBs have now been allowed to provide doorstep-banking facility to their customers like commercial banks.

9. The Ministry is also taking initiative to formulate 'Cooperation to Prosperity' Scheme with the aim of all round development of cooperatives.

10. A scheme for modernizing and professionalizing the cooperative education and training institutions across the country is also under formulation.

In addition to above, the Ministry is presently in the process of formulating a new National Level Policy for cooperatives. A two-day National Conference on the new Cooperation Policy was held on 12th and 13th April, 2022 with Cooperation Secretaries / RCSs from all the States/UTs, wherein discussions were, inter alia, held on legal framework, identification of regulatory, policy & operational barriers; ease of doing business; reforms for strengthening governance; promoting new and social cooperatives; revitalizing defunct ones; making cooperatives vibrant economic entities; cooperation among cooperatives and increasing membership of cooperatives. Further, suggestions on the draft Policy were sought from the stakeholders, including general public, through the website of the Ministry.

All the schemes/projects of Government of India are oriented towards revitalizing the Cooperative sector in all States, including the state of Uttarakhand. Since creation of this Ministry on 6th July, 2021, an amount of Rs. 73 crores has been released by the National Cooperative Development Corporation (NCDC) as a loan amount for the implementation of NCDC assisted 'Rajya Samekit Vikas Pariyojna' aiming at holistic integrated development including creation of infrastructure, cooperative cluster farming, market expansion and generation of employment avenues.

This was stated by the Minister of Cooperation, Amit Shah in a written reply to a question in the Rajya Sabha yesterday.