



P.L.RAJ IAS & IPS ACADEMY

Building Bureaucrats Since 2006

5. National Cooperation Policy 2025 – Transforming Cooperatives for Viksit Bharat

The Ministry of Cooperation held the first meeting of its National Level Policy Implementation and Monitoring Committee in New Delhi to design a country-wide roadmap for the newly launched National Cooperation Policy-2025.

1. The policy aims to transform India's cooperative societies into transparent, technology-enabled, professionally managed, and member-centric economic institutions guided by "Sahkar se Samridhhi" (Prosperity through Cooperation).
2. Strategic targets include expanding cooperative membership to 50 crores by 2035 and tripling the economic contribution of the cooperative sector representing transformative scale ambition.

1.About National Cooperation Policy 2025

Vision and Framework

1. Comprehensive national framework designed to transform India's cooperative societies into transparent, technology-enabled, professionally managed, and member-centric economic institutions.
2. Guided by Prime Minister's vision of "Sahkar se Samridhhi" (Prosperity through Cooperation), it acts as core vehicle to energize the rural economy.
3. Directly aligned with India's Viksit Bharat @2047 goals ensuring cooperative sector contributions to national development.

Key Goals

1. Expand number of cooperatives by 30% and triple their GDP contribution by integrating 50 crore active members by 2034.
2. Achieve Universal Coverage by establishing at least one primary cooperative unit in every panchayat ensuring grassroots outreach.
3. 83 intervention points identified with work completed on 58 providing comprehensive implementation framework.

2.The Six Strategic Pillars

Strengthening the Foundation

1. Revamping and reinforcing existing base of cooperative sector addressing structural weaknesses and governance gaps.
2. Building institutional capacity for long-term sustainability.

Vibrant and Competitive

1. Transforming cooperatives into modern, highly efficient, and competitive business enterprises capable of market competition.
2. Enabling professional management practices while retaining cooperative principles.

Preparing for the Future

1. Modernizing operations with advanced technology to handle tomorrow's economic demands.
2. Focus on computerization, ERP-based management systems, and cybersecurity for PACS.

Expanding Inclusiveness

1. Broadening outreach ensuring deep participation from women, youth, and small/marginal farmers.
2. Prioritizes villages, rural women, Dalits, and tribals for equitable growth through member-centric development.

New and Emerging Sectors

1. Promoting cooperative footprints in modern business fields including tech-driven services and green energy.
2. Sectoral expansion into tourism, taxi services (Sahkar Taxi), insurance, and green energy with profits benefiting PACS.

Next-Gen Leadership

1. Connecting younger generation with cooperative values and creating startup culture within sector.
2. Employment generation by establishing one cooperative in every village increasing youth participation.

3.Key Provisions and Institutional Innovations

Model Cooperative Villages

1. Establishment of five model cooperative villages in every tehsil beginning with pilot in Gandhinagar (NABARD-led).
2. Model villages demonstrate integrated cooperative approach across multiple economic sectors.

New National-Level Cooperatives

1. National Cooperative Exports Limited established for international trade and global market access of Indian cooperative products.
2. Three new national-level cooperatives created for exports, organics, and quality seeds addressing supply chain needs.

Technology Integration

1. Fast-tracked computerization of Primary Agricultural Credit Societies (PACS) with ERP-based management systems.
2. Data system security against cyber threats ensuring integrity of financial operations.
3. PACS transformed into Common Service Centers (CSCs) delivering e-services to rural citizens.

Training and Education

1. Tribhuvan Sahkari University established to build skilled manpower for cooperative ecosystem.
2. Legal updates planned every 10 years ensuring policy remains contemporary and relevant.

4.Institutional Architecture

Ministry of Cooperation

1. Created in 2021 by Government of India to realize vision of 'Sahkar se Samridhhi' providing dedicated platform.
2. First dedicated ministry for cooperative sector reflecting policy prioritization.

Monitoring Committee Composition

1. Brings together central ministries including Panchayati Raj, Rural Development, and Agriculture.
2. State governments and financial institutions like NABARD ensure coordinated grassroots implementation.
3. Whole-of-Government approach ensures cross-sectoral coordination and resource convergence.

5.Understanding Cooperative Societies

Definition and Principles

1. Cooperative societies are voluntary associations of individuals joining together to meet common economic, social, and cultural needs.

2. Operate on principle of mutual help and self-help prioritizing member well-being over profit maximization.
3. Currently more than 8 lakh cooperative societies are registered across housing, dairy, agriculture, and finance sectors.

Types of Cooperative Societies

1. Consumer Cooperatives provide quality goods and services at affordable prices (examples - Kendriya Bhandar, Apna Bazar).
2. Producer Cooperatives support small producers with resources, technology, and market access (examples - Amul, Karnataka Handloom Weavers' Cooperative).
3. Marketing Cooperatives facilitate collective marketing ensuring better prices for agricultural products.
4. Credit Cooperatives offer financial services to rural and marginalized communities (examples - Urban and Rural Cooperative Banks).
5. Housing Cooperatives provide affordable housing solutions through pooled resources.

Multi-State vs Single-State Cooperatives

1. Multi-State Cooperatives operate across multiple states governed by Multi-State Cooperative Societies Act, 2002; IFFCO, Amul, and NCDFI are examples.
2. Single-State Cooperatives operate within one state following respective State Cooperative Societies Act; State Cooperative Banks and PACS are examples.

6. Constitutional Framework for Cooperatives

Jurisdictional Status

1. Cooperatives are a state subject under the Constitution mentioned in Entry 32 of State List under Seventh Schedule.
2. Constitutional placement reflects federal nature of cooperative governance.

97th Constitutional Amendment

1. Added Part IXB (The Co-Operative Societies) to Constitution providing dedicated constitutional recognition.
2. Right to Form Cooperative Societies included as Right to Freedom under Article 19(1) ensuring fundamental rights protection.
3. Article 43-B on Promotion of Cooperative Societies inserted as Directive Principle of State Policy.

Multi-State Cooperative Societies Amendment Act, 2023

1. Strengthened governance, enhanced transparency, increased accountability, and reformed electoral process.
2. Incorporated provisions of 97th Constitutional Amendment in Multi-State Cooperative Societies framework.

PACS - Core Implementation Vehicle

Computerization Scheme

1. Government allocated ₹2,516 crore to computerize nearly 63,000 PACS with ERP systems.
2. Computerization improves accountability, reduces mismanagement, and enables data-driven decision-making.

Sectoral Diversification of PACS

1. Digital Services - PACS transformed into Common Service Centers delivering e-services to rural citizens.

2. Healthcare – PM Bhartiya Jan Aushadhi Kendras operated by PACS improving affordable medicine access.
3. Energy – Under PM-KUSUM Convergence scheme, PACS promoting solar energy adoption for sustainable agriculture.
4. Fisheries – Fish Farmer Producer Organizations (FFPOs) empowering fish farmers and enhancing market access.

7.Way Forward

1. **Strengthen Governance** – Enforce transparent election processes, audit requirements, and professional management standards across cooperatives.
2. **Technology Adoption** – Complete PACS computerization and extend digital platforms enabling real-time monitoring and service delivery.
3. **Inclusive Expansion** – Prioritize women, youth, Dalits, and tribals in cooperative leadership and membership expanding genuine inclusivity.
4. **Global Integration** – Leverage National Cooperative Exports Limited for international market access positioning Indian cooperatives globally.
5. **Legal Modernization** – Implement planned 10-year legal updates ensuring cooperative laws remain contemporary and enabling.

Source – <https://dailypioneer.com/news/meeting-of-national-level-policy-implementation-and-monitoring-committee-held-in-new-delhi>