



# Cooperatives

## Realizing Dream of *Viksit Bharat@2047*

The United Nations has declared the year 2025 as the 'International Year of Cooperatives' with the theme 'Cooperatives Build a Better World.' India, with the resolve of '*Sahkar Se Samriddhi*', is celebrating the social and economic contributions of cooperative societies. IYC 2025 serves as a platform to showcase success stories, promote innovation, and modernize practices across the cooperative landscape.

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To fulfill the vision of Prime Minister Narendra Modi of '*Sahkar Se Samriddhi*' (Prosperity through Cooperation), a dedicated Ministry of Cooperation was established for the first time in India on 6<sup>th</sup> July 2021. This historic move marked the creation of an independent ministry exclusively for cooperatives, with Amit Shah entrusted with the responsibility of serving as the country's first Cooperation Minister. Prior to this, cooperative matters were handled under the Ministry of Agriculture and Farmers Welfare. The newly formed ministry was tasked with the critical responsibility of providing the necessary administrative, legal, and policy framework to bolster the cooperative movement throughout India, thereby enabling it to play a central role in the country's socio-economic transformation.

The Ministry envisions an inclusive, cooperative-based economic model that contributes to the nation's

socio-economic development across sectors. Under the dynamic leadership of Minister Amit Shah, the Ministry of Cooperation has taken strong and swift steps to rejuvenate the cooperative sector, empowering it to foster rural development and economic inclusivity. Within a short span, the Ministry has brought renewed energy to this vast sector, which connects over 29 crore members through more than 8.40 lakh cooperative societies spread across the length and width of the country. By promoting farmer-centric cooperative models in agriculture, dairy, and self-help initiatives, the Ministry is facilitating a new era of transparency, efficiency, and empowerment for rural citizens.

One of the key achievements of the Ministry has been the launch and implementation of several high-impact schemes aimed at modernizing and strengthening the cooperative sector. The Ministry has taken more than 60 major initiatives to change the rural economy. It is mixing old ways with new ideas. This change is not only



improving the institutions that already exist but also creating new jobs and opportunities in villages through modern cooperatives that use technology and involve local people.

The main part of this big change is the Primary Agricultural Credit Societies (PACS). These are the base of India's cooperative system and help people in villages. PACS mainly provide financial help to farmers and small borrowers. They have been around since 1904, when the Cooperative Credit Societies Act was passed. Since then, PACS have been important in giving short and medium-term loans, providing farming materials, and offering other services in rural areas.

Cooperatives have a decades-old history and in this era of information and technology, many PACS have been weakened by limited functionality, lack of digital infrastructure and outdated working systems. Hence, there was a dire need to reform them to suit the needs of current rural development.

A landmark reform in this direction has been the introduction of Model Bye-Laws for Primary Agricultural Credit Society (PACS) by the Ministry of Cooperation. These new by-laws seek to transform PACS from being single-purpose credit institutions to multifunctional rural service hubs. The revised framework empowers PACS to diversify into commercial and service-oriented roles that align with the needs of local communities. With widespread adoption across states and union territories, these bye-laws are gradually reshaping PACS into dynamic and responsive institutions capable of generating employment, delivering public services, and contributing to rural economic resilience.

Digitization has also been a cornerstone of the Ministry's reform strategy. A Centrally Sponsored Project for the computerization of PACS has been launched with implementation support from NABARD. This five-year initiative aims to bring thousands of functional PACS into a standardized digital ecosystem. Through the provisioning of IT hardware, cloud-based ERP software in regional languages, digitization of legacy records, and staff training, the government is ensuring that PACS become transparent, accountable, and seamlessly integrated with the higher tiers of the cooperative banking structure. The transformation

will enable real-time accounting, efficient service delivery, and enhanced coordination between PACS, District Central Cooperative Banks (DCCBs), and State Cooperative Banks (StCBs).

In tandem with technological modernization, the Ministry is working to significantly expand the footprint of PACS. With the support of national institutions like NABARD, NDDDB and NFDB, the Government has initiated the process of setting up new Multipurpose PACS/Dairy/Fisheries Co-operative Societies across the country. These new societies are being designed to operate in diverse sectors, including dairy, fisheries, warehousing, healthcare, and retail. The objective is to ensure the presence of a functional, professionally managed Cooperative Society in every panchayat, thereby providing last-mile access to cooperative services rooted in local governance and participation.

This strategic expansion and reform of PACS is expected to yield substantial benefits. As digitally enabled, multi-sectoral institutions, PACS are now poised to serve as engines of rural economic transformation. They will facilitate greater financial inclusion, improve access to essential services, enhance transparency in operations,

and empower communities to become more self-reliant.

Their evolution reflects the broader ambition of the Ministry to foster rural prosperity through robust and inclusive cooperative frameworks.

In line with this vision, PACS are now being empowered to operate Common Service Centers, Jan Aushadhi Kendra, Kisan Samridhhi Kendra and LPG distribution, Petrol Pumps, FPO, Pani Samiti, etc. These activities allow PACS to deliver essential services such as affordable medicines, cooking gas, digital banking, and access to government schemes. This integration strengthens the rural economy by creating local employment opportunities and bringing critical services closer to under-served communities. It also bridges the rural-urban divide, enhancing quality of life and supporting the objectives of flagship programmes like Digital India and *Atmanirbhar Bharat*.

To enable data-driven policy planning and efficient monitoring, the Ministry has also developed







the National Cooperative Database (NCD). This comprehensive digital database offers real-time data on cooperatives, aiding in accurate planning, performance tracking, and transparency in fund allocation. The National Cooperative Database helps identify active, dormant, and underperforming societies, enabling targeted interventions. By simplifying registration and compliance procedures, the database enhances the ease of doing business for Primary Agricultural Credit Societies (PACS) and brings them in line with modern cooperative governance practices.

Another notable development has been the establishment of three national-level multi-state cooperative societies Bharatiya Beej Sahkari Samiti Limited (BBSSL), National Cooperative Organics Limited (NCOL), and National Cooperative Exports Limited (NCEL). These apex bodies are designed to support PACS in accessing larger markets and expanding their business operations. BBSSL focuses on high-quality seed production and distribution, NCOL promotes organic farming, and NCEL facilitates cooperative-led exports. By connecting grassroots societies to national and international markets, these entities are empowering farmers to diversify their income sources and integrate into value chains, furthering the Ministry's goal of rural self-reliance and cooperative-based growth.

The legal framework for cooperative societies has also been strengthened through the enactment of the Multi-State Cooperative Societies (Amendment) (MSCS) Act, 2023. This Act provides a robust legal and

administrative structure for cooperatives operating across state boundaries. It aims to promote transparency, democratic management, and professional governance. Key benefits include mandatory audits and elections, enhanced member participation, and reduced political interference.

The Act fosters a conducive environment for large-scale, well-managed cooperative enterprises that can operate efficiently across India's diverse landscape.

A transformative initiative under the Ministry has been the launch of White Revolution 2.0, which revitalizes the dairy sector through cooperative models, with a strong focus on empowering rural women. This initiative builds upon the legacy of India's original dairy revolution, aiming to modernize infrastructure, increase milk production, and create sustainable income opportunities for women farmers. By forming new dairy cooperatives, especially in remote areas, the programme ensures fair milk procurement, timely payments, and access to veterinary and feed services. Special emphasis is placed on women's leadership and participation, transforming them into stakeholders and changemakers in their communities.

The White Revolution 2.0 also introduces training in clean milk production, artificial insemination services, and value-added dairy product support. Farmers are linked to digital platforms and organized markets to reduce spoilage and increase profitability. The initiative aligns with the broader goals of food security, rural employment, and gender empowerment under the 'Sahkar Se Samridhi' and 'Viksit Bharat 2047' visions, further solidifying cooperatives as pillars of India's rural economy.

Addressing long-standing challenges in agricultural storage, the Ministry has also launched the 'World's Largest Grain Storage Scheme' in cooperative sector. This initiative aims to build modern storage infrastructure, including warehouses, primary processing units, and custom hiring centers at the PACS level. The pilot phase has already seen warehouses constructed in 11 PACS across 11 states, with additional 500 PACS as part of the extended pilot. By decentralizing storage, the scheme reduces post-harvest losses, improves price realization for farmers, and enhances food security through better buffer stock management. It also generates rural employment in construction, logistics, and maintenance sectors.



The United Nations has declared the year 2025 as the 'International Year of Cooperatives' with the theme 'Cooperatives Build a Better World.' India, with the resolve of *Sahkar Se Samridhi* 'Prosperity through Cooperation,' is celebrating the social and economic contributions of cooperative societies. This initiative recognizes the central role of cooperatives in the nation's development and aligns with the United Nations' global recognition of the cooperative model. IYC 2025 serves as a platform to showcase success stories, promote innovation, and modernize practices across the cooperative landscape. It aims to increase youth participation, enhance global partnerships, and reaffirm India's position as a leader in cooperative governance and innovation and build global partnerships by positioning India as a leader in cooperative excellence.

As the country undertakes major reforms, such as digitalization, policy modernization, and the creation of national cooperative societies, IYC 2025 reinforces India's vision of '*Sahkar Se Samridhi*' and supports the long-term goal of building a cooperative-driven, *Viksit Bharat* by 2047.

The vision of *Viksit Bharat* 2047 is deeply embedded in India's aspirations to become a developed, self-reliant, and inclusive nation by the time it celebrates its 100<sup>th</sup> year of independence. It represents a national mission that seeks to transform every sector of the country: economic, social, technological, and environmental into one that is modern, sustainable, and globally competitive. This transformation is not just about macro economic progress or urban development; it is equally about uplifting rural India, strengthening grassroots institutions, and ensuring that prosperity reaches the last mile. In this broader mission, cooperatives are emerging as one of the most powerful tools of change. Rooted in local communities and powered by the principle of mutual benefit, cooperatives are uniquely positioned to deliver development that is participatory, inclusive, and sustainable.

Cooperatives have historically played a significant role in India's rural economy, especially in areas like agriculture, dairy, fisheries, and rural credit. Today, with the launch of a dedicated Ministry of Cooperation under the leadership of Prime Minister Narendra Modi and Cooperation Minister Amit Shah, the cooperative movement is being given fresh momentum. The Ministry is driving a new revolution based on transparency,

accountability, digital integration, and professional management of cooperative institutions. With lakhs of cooperative societies operating in different sectors across the country, the potential to drive transformative change from the grassroots level is immense. Through bold reforms, targeted policies, and innovative schemes, the government is making cooperatives more modern, capable, and impactful. The ultimate aim is to empower people at the local level and make them active participants in the country's journey toward becoming a developed nation.

The idea of '*Sahkar Se Samridhi*' or 'Prosperity through Cooperation' has become a cornerstone of the *Viksit Bharat* 2047 strategy. Cooperatives are uniquely positioned to bring equitable growth by directly involving people in economic activities, particularly in rural and semi-urban India. From agriculture and dairy to credit, housing, fisheries, and marketing, cooperatives enable millions of Indians to participate in the country's economic journey. Ministry of Cooperation is working to build a strong legal, policy, and financial ecosystem that empowers cooperatives to become efficient, professional, transparent, and future-ready institutions. This directly aligns with the *Viksit Bharat* 2047 goals of inclusive and sustainable development.

The roadmap for strengthening the cooperative movement over the next decade is both comprehensive and forward-looking. It emphasizes improving the ease of doing business for cooperative societies, expanding access to affordable finance, enhancing skills through targeted training and education, promoting greater involvement of women, encouraging youth-led entrepreneurship, and accelerating the adoption of modern technologies. These priorities aim to enable cooperatives to operate on par with other economic models while upholding their foundational values of mutual support and democratic governance. The focus is on making these institutions more agile and market-oriented without compromising their social mission. As cooperatives evolve, they are poised to generate employment, boost incomes, and nurture a culture of shared progress, collaboration, and community development across the nation.

The government's vision for 2047 includes turning India into a \$30 Trillion Economy and placing it among the top three economies in the world. The plan aims to eradicate poverty, ensure 100% literacy, provide



quality education and universal healthcare, and build smart and sustainable cities. Technological innovation, clean energy adoption, robust digital infrastructure, and scientific advancement are seen as essential elements of this roadmap. More importantly, this vision is about building a just, inclusive, and resilient society where every citizen regardless of background can access opportunities and live a life of dignity. In this broader national canvas, cooperatives are expected to bridge the rural-urban divide, promote grassroots entrepreneurship, and ensure that economic growth benefits everyone equally.

The role of cooperatives becomes critical in realizing the *Viksit Bharat 2047* agenda. They act as bridges between government schemes and rural communities, ensuring that benefits reach the last mile. For example, agricultural cooperatives help farmers access inputs like seeds, fertilizers, and irrigation support, while also facilitating procurement, storage, and marketing of produce. Dairy cooperatives empower small livestock farmers by giving them access to markets and processing infrastructure. Credit cooperatives provide affordable loans to farmers and small entrepreneurs, reducing dependency on informal lenders. Housing cooperatives help provide affordable homes in urban and semi-urban areas. These services, when modernized and expanded, contribute directly to economic growth, poverty reduction, and social equity, the key objectives of *Viksit Bharat 2047*.

Another major focus area is the use of technology to modernize cooperatives. With initiatives like digitization of Primary Agricultural Credit Societies (PACS), creation of National Cooperative Database, and launch of centralized portals like the Central Registrar of Cooperative Societies (CRCS), CRCS-Sahara Refund Portal, e-Samyukti and e-Samridhi, the Ministry is ensuring that cooperative institutions operate with transparency, accountability, and efficiency. These reforms will not only enhance public trust in cooperatives but also attract youth participation and professional talent to the sector. By adopting advanced tools like data analytics, satellite-based farming advisory, mobile apps, and blockchain for traceability, cooperatives are being integrated into India's larger digital economy, thereby strengthening their role in *Viksit Bharat 2047*.

Inclusivity is another cornerstone of this vision, and cooperatives have immense potential to bring women, youth, and marginalized communities into

the development mainstream. The cooperative model is inherently democratic, with one-member-one-vote structure, making it ideal for inclusive governance. Policies are now being framed to increase the participation of women in cooperative leadership, promote youth entrepreneurship through cooperatives, and introduce skilling and capacity-building programmes tailored to local needs. The Ministry's efforts to integrate cooperatives into school and college curricula will also create awareness among students and inspire them to view cooperatives as a viable career path, not just a traditional village concept.

Looking at the future, the government envisions cooperatives playing a key role in new sectors like organic farming, renewable energy, supply chain management, agri-tech, food processing, rural tourism, healthcare services, and digital platforms. These emerging areas offer vast potential for income generation, sustainable growth, and community ownership. The involvement of cooperatives in these fields will contribute to the environmental and economic sustainability goals of *Viksit Bharat 2047*, while also building resilience among rural populations against climate change and market disruptions.

*Viksit Bharat 2047* is not merely a government programme, but a nationwide movement that seeks participation from every citizen, institution, and community. Cooperatives, by their very nature, embody collective effort, shared responsibility, and inclusive prosperity. They represent the spirit of grassroots democracy and are vehicles of social cohesion. As the nation accelerates its journey towards becoming a developed economy, the role of cooperatives will only become more central. Their ability to mobilize people, distribute benefits equitably, and sustain community-oriented economic activities makes them indispensable to India's developmental vision.

In conclusion, the *Viksit Bharat 2047* vision is bold and transformative. It calls for innovative governance, inclusive policies, and people-led development. The cooperative movement, rejuvenated with the support of the Ministry of Cooperation, stands as a powerful force to realize this vision. By enabling every citizen to participate in economic growth, especially those in rural and underdeveloped regions, cooperatives can truly transform India into a prosperous, self-reliant, and empowered nation by its centenary of independence. □