

International Year of Cooperatives 2025 (IYC 2025)

On 19th June 2024, United Nations General Assembly adopted a resolution proclaiming 2025 as the International Year of Cooperatives with the theme 'Cooperatives Build a Better World'. 2025 is the second International Year of Cooperatives, which comes after 13 years since observance of the first IYC in 2012. The global launching of IYC 2025 was performed by Shri Narendra Modi, Hon'ble Prime Minister on 25th November 2024 during the ICA - Global Cooperative Conference in New Delhi which was attended by representative of 100 countries out of total 107 member countries of ICA. The Global Conference in Delhi also adopted an action agenda for IYC 2025 to create a prosperous future for all which rests on the following four pillars of action :-

1. Reaffirming cooperative identity
2. Enabling policy and entrepreneurial ecosystem
3. Nurturing purposeful leadership
4. Building sustainable future

The action agenda also indicated broad areas of action for various stakeholders

Individual Cooperatives: empower members, innovate for resilience, strengthen unity and build networks.

Communities: support local cooperatives, recognize the values of cooperatives, partner with cooperatives for change and foster education.

Civil Society Organisations: advocate for cooperative policies, raise awareness of cooperatives, collaborate for impact and create cooperatives.

Diverse Private Sector: invest in cooperatives, collaborate ethically, promote values and empower workers.

Opinion Shapers: share success stories on the positive impact on cooperatives, counter misconceptions, advocate for cooperative policies and inspire action.

Government and Policy Makers: create a favourable policy environment and legal framework to support entrepreneurial ecosystem for cooperatives, recognize cooperatives as key partners, mainstream cooperative education and invest in cooperative research.

Multilateral Institutions: support cooperative development by adopting comprehensive ecosystem approach to cooperative development, recognize the role of cooperatives in sustainable development and promote International cooperation.

The Ministry of Cooperation convened a meeting of National Cooperative Federation on 27th December 2024 to discuss about the IYC 2025 action plan for cooperatives in India.

Subsequently, the Ministry issued guidelines to plan and execute various programmes as part of observance of IYC 2025. The Ministry will be holding the national launching of IYC 2025 in January followed by two major events every month in collaboration with other stakeholders. Federations shall also organize national and state level seminars and conferences on the IYC 2025 theme 'Cooperatives Build a Better World' and sub themes relevant to the sector. Increasing public awareness of IYC 2025 and contributions of cooperatives to social and economic development through website, social media, newsletter etc., using the occasion for business promotion and membership growth with focus on women and youths, ranking of cooperatives and performance awards based on benchmark as on 31st December 2024, etc. are the highlights of the guidelines issued by the MOC. The Federations are expected to finalise the IYC action plan for the sector they represent before 15th January 2025 in consultation with the Ministry.



Hon'ble Union Home and Cooperation Minister Shri Amit Shah inaugurated the "10,000 newly formed Multi-purpose Primary Agricultural Cooperative Societies (M-PACS), Dairy and Fisheries Cooperative Societies" on 25.12.2024 at ICAR, Pusa, New Delhi, in the special presence of Shri Rajeev Ranjan (Lalan) Singh, Hon'ble Union Minister of Fisheries, Animal Husbandry, Dairying and Panchayati Raj, Union Ministers of State for Cooperation Shri Krishan Pal and Shri Murlidhar Mohol, Secretary, Minister of Cooperation Dr Ashish Kumar Bhutani and other senior officials from the MOC. These societies will provide financial services and serve as a platform for rural communities to unite and collaborate. He also distributed registration certificates,



RuPay Kisan Credit Cards (KCC) and Micro ATMs to the newly formed cooperative societies. These financial tools are designed to provide easy access to credit services for Panchayats and promote financial inclusion, enabling rural populations to benefit from schemes and actively contribute to the nation's economic progress.

Co-op Initiatives: Shah launches mobile Rural Mart to Micro ATMs



Union Home and Cooperation Minister Shri Amit Shah, inaugurated several initiatives to strengthen the cooperative sector in Tripura on 22.12.2024

which included the launch of the Smart Training Center by the Tripura State Cooperative Union, distribution of mini seed kits to 500 farmers through NCCF and an MoU between National Cooperative Organics Limited (NCOL) and Tripura State Organic Farming Development Agency, among others. Cooperative petrol pumps and a consumer store in Dhalai district were also inaugurated. Additionally, 50 primary cooperative societies of the Tripura State Cooperative Bank have been provided with micro ATMs, enhancing financial inclusion in rural areas. Shri Shah emphasized that Tripura produces over 70% organic products, but most are uncertified, so he urged farmers to connect with NCOL through cooperative institutions for land and product certification, which will improve market access and profitability. The Mobile Rural Marts initiative, launched in collaboration with NABARD, aims to provide essential items like pulses, rice, and wheat flour at affordable prices in five districts under the India brand. Over 35 cooperative institutions in Tripura have applied for membership in national-level multipurpose cooperative societies, facilitating access to quality seeds, organic product markets and global connections for farmers' produce. Highlighting the transformative potential of organic farming, which enriches the land, conserves groundwater, promotes health, and offers environmental benefits, he assured farmers that NCOL will help them secure at least 30% higher prices within two to three years. Currently, Tripura has 3,138 cooperatives across sectors such as dairy, fisheries, consumer goods, livestock, and poultry. The Union Minister announced the implementation of Prime Minister Modi's food storage scheme, which will establish 2,000 metric ton capacity warehouses on a cooperative



basis across Tripura. This initiative will ensure no tehsil in the state lacks proper storage facilities, reducing post-harvest losses and strengthening food

security. Out of 57 initiatives introduced by the MOC, Tripura has already implemented 41, marking significant progress. He also reiterated the govt's vision of



"Sahkar Se Samridhi" (prosperity through cooperation) by lauding Prime Minister Modi's leadership in elevating India's global economic position from 11th to 5th and projected India's rise to 3rd place by 2027 as cooperatives are now being revitalized to uplift communities and improve livelihoods. Beyond economic growth, the govt is committed to ensuring inclusive prosperity by providing education, healthcare, and happiness for all Indians through cooperative efforts. India has over 8 lakh cooperatives involving 350 million people. Successful models like Amul, IFFCO, KRIBHCO, and NAFED demonstrate the potential of cooperatives across sectors, including banking, agriculture, medical support, and fertilizers. Cooperative movement is crucial for farmers in Tripura to achieve prosperity for themselves and their families. The event also witnessed the presence of Chief Minister of Tripura Dr. Manik Saha, Cooperation Ministry Secretary Dr. Ashish Kumar Bhutani, and other dignitaries. (Source: Indian Cooperative)

Shah scripts landmark MoUs to boost Chhattisgarh Co-op Sector

In the presence of Union Home and Cooperation Minister Shri Amit Shah, two transformative agreements were signed on 16.12.2024 to advance the minor forest produce and dairy sectors in



Chhattisgarh. These agreements signify a milestone in strengthening the cooperative sector, empowering communities, and promoting sustainable economic development. Addressing the event, Shri Shah underscored the pivotal role of cooperatives in driving prosperity and highlighted two landmark initiatives. He raised concerns about the rise of diseases linked to toxic food and emphasized a shift toward preventive measures by promoting organic and disease-resistant food. He credited Prime Minister Shri Narendra Modi's leadership in prioritizing organic farming and cited Gujarat as a model state, where farmers have significantly boosted their income by adopting organic practices. Using indigenous cows, farmers in Gujarat have been able to cultivate 21 acres of land with organic fertilizers, achieving 1.25 times higher yields compared to chemical-based methods. Acknowledging the challenges posed by the lack of certification in the organic products market, which erodes consumer trust and limits fair pricing for farmers, he highlighted the establishment of the National Cooperative Organic Limited (NCOL), a central institution supporting organic certification. He emphasized that trusted cooperative brands like 'Bharat' and 'Amul' are leading the supply of certified organic products. With robust soil testing and certification mechanisms in place, he



expressed confidence that within four years, certified organic grains will be accessible across India, restoring consumer confidence and improving farmer

incomes. A key agreement signed during the event was between the Chhattisgarh State Minor Forest Produce (Trading and Development) Cooperative Federation Limited (CGMFPFED) and NCOL. This collaboration aims to certify forest produce such as wild honey, tamarind, mahua and coarse grains under the brand 'Bharat Organics,' enhancing their national and international market reach. This initiative will significantly increase the income of tribal communities while promoting sustainable harvesting practices and empowering self-help groups engaged in forest produce collection. The second agreement, signed between the Chhattisgarh Govt, the Chhattisgarh State Cooperative Dairy Federation and the National Dairy Development Board (NDDB), focuses on transforming the dairy sector in Chhattisgarh. He stressed that involving women in these cooperatives will empower marginalized communities and create a model for inclusive growth. The agreement targets increasing milk collection capacity from 79,000 kg to 5 lakh kg per day and processing capacity from 1 lakh to 4 lakh litres daily. NDDB will provide managerial support at no cost, with funding sourced from Central Govt schemes, NABARD loans and state contributions. These agreements will usher in prosperity, peace and security, making cooperation the cornerstone of development in Chhattisgarh. He reaffirmed the MOCs commitment to supporting the state in building a robust cooperative framework to benefit rural and tribal communities. (Source: Indian Cooperative)



Dr. Ashish Kumar Bhutani, Secretary of the Ministry of Cooperation, chaired a meeting on 27.12.2024 at New Delhi with the Managing Directors, Chairmans and officials of cooperative Federations, during which a comprehensive action plan for celebrating the International Year of Cooperatives (IYC), 2025 was discussed.

India has 6.21 lakh Cooperatives and 29 crore members: Co-op Database

In a written reply to a question in the Rajya Sabha on

11.12.2024, Union Minister of Home and Cooperation, Shri Amit Shah said that based on the National Cooperative Database, the country has a total of 6,21,514 functional cooperative societies, which together account for an extensive membership base of 28,69,74,425 individuals. This figure is about two lakh less than the figure arrived by the NCUI a few years ago. But still this remarkable network of cooperatives highlights the integral role they play in India's socio-economic structure. Maharashtra stands out as the state with the highest number of functional cooperative societies, totalling 2,15,316. It also has the largest membership base, with 7,96,65,337 individuals associated with these cooperatives. This dominance reflects Maharashtra's rich history and strong organizational framework in cooperative movements, particularly in sectors like agriculture, dairy and rural banking. The state's leadership in cooperatives has been pivotal in driving its rural and agricultural economy. Gujarat follows as another leading state, hosting 76,061 functional cooperative societies with a membership of 1,79,93,157 individuals. Gujarat's cooperative sector is well-known for its success stories, such as Amul, which has set benchmarks in the dairy industry. The state's cooperative initiatives have significantly contributed to empowering farmers, small-scale producers and rural communities.



Karnataka ranks third in terms of the number of societies, with 38,828 cooperatives and a substantial membership of 2,36,76,736 individuals. The cooperative sector in Karnataka is diverse, encompassing credit societies, agricultural marketing and the processing of agricultural produce. This has helped strengthen the state's rural economy while providing sustainable livelihood opportunities. In contrast, Kerala, while having only 7,076 functional cooperative societies, boasts a massive membership of 2,94,72,329 individuals, showcasing the efficiency and penetration of cooperatives in the state. Kerala's cooperative model is heavily focused on inclusive development, emphasizing welfare-oriented activities such as credit unions, consumer cooperatives and housing societies. The high membership compared to the number of societies demonstrates the collective participation of the population in these initiatives. Uttar Pradesh also has a significant cooperative presence, with 19,587 societies serving 1,86,72,654 members, reflecting its importance in mobilizing resources for rural and agricultural development in the populous state. Bihar follows closely with 16,475 societies and a membership of 1,53,81,807, illustrating the active engagement of its rural population in cooperative ventures. On the other hand, smaller states and Union Territories like Andaman & Nicobar Islands and Lakshadweep have fewer cooperative societies. The Andaman and Nicobar Islands host 1,210 functional cooperatives with 73,182 members, while Lakshadweep has 30 societies serving 79,091 members.



Despite their smaller scale, these cooperatives are essential in addressing the unique economic and social needs of these regions, particularly in providing access to credit and supporting local livelihoods. Overall, the cooperative sector in India demonstrates diversity in its reach and impact. States like Maharashtra and Gujarat lead in both the number and membership of societies, reflecting their historical legacy and robust institutional frameworks. Meanwhile, states like Kerala highlight how fewer but highly efficient cooperatives can drive widespread socio-economic benefits. This comprehensive network of functional cooperatives underscores their vital role in empowering communities, fostering economic inclusion and contributing significantly to the national economy. *(Source: Indian Cooperative)*

National Cooperative Database is ready and operational: Amit Shah



Union Home & Cooperation Minister Shri Amit Shah informed the Parliament on 18.12.2024 that the govt has launched the National Cooperative Database (NCD), which will be a valuable

tool for improving the cooperative landscape in India. The NCD portal is a comprehensive repository of information on cooperative societies across India. There are more than 8,00,000 primary cooperative societies with over 29 crore members. The database was created in three phases and is now operational at www.cooperatives.gov.in he said in a written reply to the Rajya Sabha. The database will help in data-driven decision-making, effective monitoring and evaluation, policy formulation, transparency and accountability, research and analysis and facilitating access to finance. The NCD has been developed by MOC with the support of state govts. Data of all cooperative societies from various sectors has been entered in the database by nodal officers appointed by states for this purpose.

FM introduces Banking Laws (Amend) Bill, 2024 in Lok Sabha

Union Finance Minister Nirmala Sitharaman introduced the Banking Laws (Amendment) Bill, 2024, in the Lok Sabha on 03.12.2024, which aims to improve governance



standards, enhance depositor and investor protection, and bring greater consistency in banking operations and reporting. One of the key amendments proposes increasing the tenure of directors in banks, other than the chairperson and whole-time directors in cooperative banks, from the current eight years to ten years. This change is expected to provide stability in the governance of cooperative banks. The bill also seeks to address the prohibition on common directorship in cooperative banks. Currently, a director cannot serve on the boards of more than one bank, except in cases where the director is

appointed by the Reserve Bank of India (RBI). The proposed amendment extends this exemption to directors of central cooperative banks, allowing them to also serve on the board of a state cooperative bank where they are members. This aims to enhance coordination and strengthen leadership within the cooperative banking sector. To improve flexibility for depositors, the bill allows up to four nominees for deposit accounts. It includes provisions for simultaneous and successive nominations, ensuring easier access to funds, articles in safe custody, and safety lockers for legal heirs. Another provision enables the transfer of unclaimed dividends, shares, and unpaid interest or redemption amounts from bonds to the Investor Education and Protection Fund (IEPF). Individuals can claim these funds from the IEPF, ensuring their interests are safeguarded. The bill revises the timelines for banks to submit statutory reports to the RBI, changing the reporting dates from Friday to the last day of the fortnight, month, or quarter. This adjustment ensures consistency in reporting standards across the banking system. The Banking Laws (Amendment) Bill, 2024, is intended to enhance governance and transparency in banks, improve the quality of audits in public sector banks, strengthen depositor and investor rights, and bring much-needed changes to the regulatory framework governing cooperative banks. *(Source: Indian Cooperative)*

CM praises Kerala Bank for providing loans to PACS



Speaking at the launch of Kerala State Cooperative Bank's (Kerala Bank) year-long action plan in Kannur, Kerala Chief Minister Shri Pinarayi Vijayan assured the safety of deposits in the

State's cooperative societies, emphasizing govt-backed security through the Deposit Guarantee Board and Cooperative Restoration Fund. Shri Vijayan lauded the bank's progress over five years, highlighting its growth in deposits, loans, and a top-ranking Credit-Deposit (CD) ratio among State banks. He praised Kerala Bank's leadership in providing loans to Primary Agricultural Credit Societies (PACS) under NABARD's Agriculture Infrastructure Fund (AIF) scheme. The action plan targets advancing technology, supporting SMEs, boosting profitability, and guiding PACS. The event, presided over by Cooperation Minister Shri V.N. Vasavan, saw awards distributed to PACS and key dignitaries, including NABARD CGM Shri Baiju N. Kurup, Kerala Bank President Shri Gopi Kottamurickal, and CEO Shri Jorty M. Chacko, in attendance. *(Source: Indian Cooperative)*

Govt working to reduce GST for co-op products

In a written reply to a query in the Lok Sabha, Union Home and Cooperation Minister Shri Amit Shah addressed the ongoing efforts by the MOC to secure GST exemption for products and services provided by cooperative societies. He emphasized that proposals related to GST are examined by the GST Council, a constitutional body. Since the establishment of the MOC on 06.07.2021, it has been a priority to encourage states, Union Territories (UTs), and cooperative societies to submit proposals related to taxes,



particularly those that are not in line with the benefits extended to other business entities. In this regard, a memorandum dated 25.11.2024 from the MOC, Tamil Nadu, was received, seeking, among other things, GST exemption for cooperative products and services. The proposals related to GST are examined by the GST Council. Recently, the GST on molasses was reduced from 28% to 5%, which will benefit Cooperative Sugar Mills. (Source: Indian Cooperative)

Govt mulls changes in EPF contribution rules

The labour ministry is considering introducing comprehensive changes in the Employees' Provident Fund Organisation (EPFO) rules, in order to give the subscribers more flexibility in making contributions to the EPF. It is also evaluating ways for the beneficiaries to avail higher pensions. As per the current rules, the entire contribution of the subscriber, that's 12% of their "basic salary", goes to the EPFO. The matching employer's contribution, on the other hand, is bifurcated—3.67% goes to the EPF, while 8.33% goes to the Employees' Pension Scheme (EPS). Apart from this, the GOI also contributes 1.16% for an employee's pension. The EPS, administered by the EPFO, aims to provide employees with pension after the age of 58. If members are allowed to contribute more than 12%, they may contribute more, and eventually get higher pension post retirement, added the ministry weighing several options. The total amount in the investment corpus of the EPFO stood at ₹21.3 lakh crore in 2022-23, up from ₹18.3 lakh crore in 2021-22. Besides, the labour ministry is planning to bring in a provision to include gig and platform workers under the EPS' ambit. Employers of such workers may be asked to contribute 1-2% of the worker's monthly earnings to the EPS. The labour ministry is awaiting a report from an internal-committee set up on this issue, which is likely to be submitted in December. If the platform/gig worker is employed by 2-3 organisations, all of them would be asked to provide for the pension. Currently over 10 million such workers exist in the country, and this number is likely to rise to 50 million in the next four-five years. The companies which employ such workers include Zomato, Swiggy, Dunzo, Zepto and Urban Company. EPF accounts are mandatory for employees earning up to ₹15,000 a month as basic pay. There is a proposal to raise this to ₹25,000. An employee's contribution to the EPF account is allowed as a deduction up to ₹1.5 lakh under Section 80C of the IT Act. EPF withdrawals are not taxable at the stages of contribution, accumulation and withdrawal. However, from 2020-21 onwards, any contribution by the employee to the EPF account, exceeding ₹7.5 lakh in a financial year, was made taxable. This was meant to curb a trend of high net worth individuals investing excess amounts in EPF for higher tax-free returns.

Labour committee asks centre to increase minimum PF pension

Parliamentary Standing Committee on Labour, headed by Shri Basavaraj Bommai, has recommended that the Centre increase the minimum pension of ₹1,000 paid by the Employees Provident Fund Organisation (EPFO) under its Employees Pension Scheme (EPS). Trade

unions and associations of pensioners have demanded an increase in the minimum pension for long. In its report tabled in Parliament on 16.12.2024, the panel noted that over a decade has passed since the minimum pension of ₹1,000 per month was implemented. Considering the manifold increase in the cost of living in 2024 vis-à-vis 2014 and other relevant factors, as put before the Committee by various Stakeholders during their oral evidences held in the year 2023, the Committee feel that there is a need to seriously look into the aspect of considering an upward revision of this amount. Notwithstanding the financial implications involved, the Committee desired the Ministry/EPFO to take up this significant task sympathetically with a sense of urgency in the larger interest of the affected pensioners and their family members so as to arrive at an amicable solution. Under the EPS, the Union govt contributes 1.16% of wages with wage ceiling of ₹15,000 per month. A grant-in-aid is also given to reimburse the difference of amount between minimum pension of ₹1,000 and actual member pension. During 2023-24, the total number of pensioners getting minimum pension of ₹1,000 per month was 20,64,805 and the total grant-in-aid for providing minimum pension of ₹1,000 per month from 01.04.2023 to 31.03.2024 was ₹957.55 crore. Noting that the four Labour Codes are yet to be implemented, the report said "Considering the fact that for carrying out the provisions of the Codes, it is a statutory obligation on the States/UTs to prepare the Rules, the Committee impress upon the Ministry to further intensify their efforts and vigorously pursue the matter with all States/UTs in a time bound manner so as to ensure that the four Labour Codes are implemented."

Union Govt. names Sanjay Malhotra as RBI Governor



The Centre on 09.12.2024 announced the appointment of Revenue Secretary Shri Sanjay Malhotra as the 26th Governor of the Reserve Bank of India (RBI), a day before incumbent Governor Shaktikanta Das's six-year term comes to an end on 10.12.2024. He will take charge of the country's monetary policy framework and banking regulation at Mint Street on 11.12.2024, at a challenging time with inflation having been a bugbear. A 1990-batch officer of the Indian Administrative Service of the Rajasthan cadre, Shri Malhotra is a computer science engineering graduate from the Indian Institute of Technology, Kanpur, and has a Master's degree in Public Policy from the Princeton University, U.S.A.

RBI asks banks to activate frozen, inoperative accounts

The Reserve Bank of India (RBI) has asked banks to take urgent and necessary steps to bring down the number of inoperative/frozen accounts and make the process of activation of such accounts smoother and hassle-free. The banks were told to enable seamless updation of Know Your Customer (KYC) through mobile/internet banking, non-home branches and video customer identification. The RBI's direction came after it found the number of inoperative accounts/unclaimed deposits was on the high side vis-à-vis total deposits and in absolute terms. The reasons were attributed to either inactivity for a long time or pending updation/periodic updation of KYC.



RBI raises collateral-free agricultural loan limit to ₹2L to help farmers

The Reserve Bank of India (RBI) has enhanced the collateral-free loan limit for farmers from ₹1.6 lakh to ₹2 lakh, effective 01.01.2025, a move aimed at supporting small and marginal farmers amid rising input costs. The new directive instructs banks nationwide to waive collateral and margin requirements for agricultural and allied activity loans up to ₹2 lakh per borrower. The decision comes in response to the rising input costs and the need to improve credit accessibility for farmers. This measure will significantly benefit over 86% of farmers who are small and marginal landholders. Banks have been instructed to implement the guidelines swiftly and ensure widespread awareness about the new loan provisions. The move is expected to facilitate easier access to Kisan Credit Card (KCC) loans and compliment the govts Modified Interest Subvention Scheme, which offers loans up to ₹3 lakh at a 4% effective interest rate. The initiative is seen as a strategic step to enhance financial inclusion in the agricultural sector, providing farmers with much-needed financial flexibility to invest in agricultural operations and improve their livelihoods. Agri experts view the initiative as a critical step towards enhancing credit inclusivity and supporting agricultural economic growth, addressing inflationary pressures on farming input costs.

Gadkari uses mathematical analogy to illustrate co-op benefits



Union Minister Shri Nitin Gadkari used a mathematical analogy to illustrate the importance of cooperation while addressing the Sahakar Bharati National Convention on 08.12.2024. "During my college

days, a friend once asked me about the concept of cooperation," Gadkari shared. "I explained it using a simple example. Imagine a person named A accomplishing work equivalent to A^2 , and another person named B completing work worth B^2 . When they work independently, their total contribution is simply $A^2 + B^2$, but when A and B collaborate, something remarkable happens. Their combined efforts not only adds up but amplifies, resulting in $A^2 + B^2 + 2AB$. That extra $2AB$ represents the synergy created by cooperation or Sahakar." Gadkari emphasized that this principle applies universally: Collaboration allows people to achieve far

more than they could individually. It's the additional value generated by mutual trust, shared vision, and working together. He also called for a deeper embrace of the cooperative spirit: "To harness this potential, we must cultivate the art of living and working together harmoniously. It's equally important to identify and address gaps, ensuring that every individual's strengths contribute to collective success." He concluded by urging attendees to adopt innovative ways to foster collaboration, emphasizing that cooperation is the key to overcoming challenges and achieving greater prosperity for all. (Source: Indian Cooperative)

Flagging farm loan waivers, cash transfers & other SOPs, RBI says rationalise subsidies

Reserve Bank of India on 19.12.2024 flagged its concern over several states announcing farm loan waivers, free power to agriculture and households, free transport and cash transfers to women and youth, cautioning that these spends will lower the funds available to undertake expenditure on building social and physical infrastructure as well as research and development. RBI's red flag comes amid a series of schemes being announced targeting women and unemployed youth, with each state going to poll seeking to outdo the other. "High debt-GDP ratio, outstanding guarantees and the increasing subsidy burden require states to persevere with fiscal consolidation while laying greater emphasis on developmental and capital spending," the report on state finances based on the budget announcements for the current fiscal year said. Since 2018-19, subsidies given by the states have grown 2.5 times to over ₹4.7 lakh crore, the budgeted level for the current fiscal year. While lauding the overall effort towards fiscal consolidation, it pointed to the high Revenue Expenditure to Capital Outlay (RECO) ratio in several states. A large part of the revenue expenditure is seen to be going towards non-asset creating spending and is difficult to reduce given that it includes interest payments, salary, pension bills and subsidies. Punjab has the highest RECO of 17.1 this fiscal which is more than three times the national average followed by Puducherry (14.1), Kerala (10.6) and Delhi (10.3), RBI concluded. Post-Covid the Centre has been seeking to focus on increasing capital outlays to ensure job creation and generation of demand for inputs and reducing the proportion of revenue expenditure. While states have been sticking to fiscal responsibility legislations, RBI said the need is to focus on capital expenditure.

NCDC & MoC's Initiative to strengthen the Fish Farmers!

- On the initiative of the Ministry of Cooperation, the National Cooperative Development Corporation (NCDC) has successfully registered 70 Fish Farmer Producer Organizations (FFPOs).
- These FFPOs aim to enhance the livelihoods of fish farmers by improving their access to markets and offering processing infrastructure.
- The Department of Fisheries, Government of India, has entrusted NCDC with the task of converting 1000 existing fisheries cooperative societies into FFPOs.
- NCDC has identified 997 existing fisheries cooperative to strengthen as FFPOs.
- This transformation comes with an approved financial outlay of ₹225.50 crore, aimed at further strengthening the fisheries sector.





AGRICULTURE NEWS

Farmers must get high-quality seeds, fertilizers, says Agriculture Minister

The 13th National Seed Congress, a three-day conclave of policymakers, scientists, and farmers that began on 28.11.2024, is seeking transformative solutions, especially in the wake of climate change and increasing diseases in various crops. While the seed industry demanded “one nation, one licence” to promote research & development and use of hybrid seeds introduced by the private sector, the Union govt said it was committed to ensuring best-quality seeds for farmers. The main organisers of the seed congress are the Union Agriculture Ministry, Uttar Pradesh Agriculture Ministry, International Rice Research Institute (IRRI), National Seed Research and Training Centre, and Federation of Seed Industries of India (FSSI). Union Agriculture Minister Shri Shivraj Singh Chouhan, who addressed the gathering virtually said, “The most critical factor for farming was good seeds and if we are able to provide good seeds to the farmers then there can be no greater service to agriculture than this.” The Minister released an “Abstract Compendium” and the “Rice Fallow Webpage and Atlas” for Bihar, Chhattisgarh, Jharkhand, and West Bengal. Yvonne Pinto, Director-General, IRRI, said the theme of the seed congress “Fostering regional cooperation, partnerships, and knowledge in the seed sector” could not be more relevant as the world faced challenges such as climate change, food insecurity, and the need for sustainable agriculture. FSSI Chairman Ajai Rana said, “The private sector spent 10% of its income on research & development. We have requested the Centre to bring a policy of one nation, one licence by accepting data from companies from different agri climatic zones. If the data are varied and accepted, we don't have to deal with the difficulties of obtaining licences in every State. Private seed companies were working on hybrid seeds that are resistant to pink bollworm, a major pest that affects cotton crops, but policies have become an impediment to test the results of these innovations.”

India needs greater focus on small farmers: PM's Secretary

India needs a greater focus on farmers with small land holdings and formulate a strategy to increase their income in order to realise the goal of Viksit Bharat, or a developed nation by 2047, said Shri PK Mishra, Principal Secretary to the Prime Minister, while delivering the 19th CD Deshmukh Memorial Lecture hosted by the Reserve Bank of India (RBI) on 28.11.2024 in Mumbai. During the last decade, govts both at the Central and state levels have taken initiatives to assist small farmers, including small and marginal farmers. He said on the topic 'Transforming Small-holder Agriculture in India in the 21st Century: Challenges and Strategies', several measures such as crop diversification, use of technology, climate-resilient crop varieties, storage to reduce post-harvest losses, direct farmer-consumer platforms, rural industrialisation and setting up of farmer producer organisations have been attempted, India's agriculture is dominated by small-holders and will continue to be so in the near future.

Projects worth ₹50K cr get support of agri-infra fund

The agriculture ministry has approved proposals worth ₹51,000 crore under Agri Infrastructure Fund (AIF) for more than 83,000 projects since its launch four years back. So far these sanctioned projects have mobilized an investment of ₹83,763 crore in the agriculture sector, out of which a large chunk of it has been mobilised from private entities. The AIF which was launched in May 2020 aims at disbursing ₹1 lakh crore through banks and financial institutions by the end of FY26. While first two years under the fund are considered as gestation period, improved marketing infrastructure and logistics at the farm gate would reduce post-harvest losses and increase farmers' remuneration. It facilitates loans up to ₹2 crore, with a maximum repayment period of 7 years. The fund provides 3% interest subvention with a cap of 9% on rate of investment. The fund also covers the reimbursement of credit guarantee fees paid by banks. Borrowers under AIF are to contribute at least 10% of total project cost irrespective of available capital subsidy. It connects ecosystem players, fostering collaboration between entrepreneurs and farmers for greater impact and it supports rural industrialization, creating employment opportunities and boosting markets of processed agricultural goods.

Drones transforming farming, market to touch \$631 mn by 2030

After tractors and farm equipment, drones are now transforming the way farming is undertaken in India by offering solutions to several challenges faced by farmers today. With a fleet of about 7,000 drones deployed in this sector, the Indian agricultural drone market, currently valued at \$145.4 million, is expected to reach \$631.4 million by 2030, growing at CAGR of 28.1%, said Agnishwar Jayaprakash, founder and CEO of Garuda Aerospace, a key player in this segment. He said the factors fuelling this growth include labour shortage for spraying pesticides and applying fertilizers, precision and efficiency by drones in such activities at far lower cost, govt support in promoting drone adoption via subsidies, loans, and training programmes and increased awareness. The Indian agricultural drone market is poised for explosive growth. Drones are set to become an indispensable tool for Indian farmers, ensuring a more efficient, sustainable, and profitable agriculture in the future. “With over 10 lakh flight hours, 2,500 drones sold, and six DGCA approvals, Garuda Aerospace leads the nation in drone utilisation, particularly in agriculture. We have captured a substantial market share of 25-30% in physical drones and 45-50% in drone services with our Drone as a Service (DAAS) model. Our focus on indigenisation, affordable drone solutions, securing govt subsidies and partnerships with global giants like Lockheed Martin and Thales has helped. We are positioned as a key player in shaping the future of drone technology in India and beyond,” he added. It is believed that drone adoption in Indian agriculture will reach 80% from about 1% now within the next 5-7 years.



Scientists develop 'Kisan Kavach' to help farmers

Akin to the protective PPE kits that health workers don, scientists affiliated to the Department of Biotechnology (DBT) have developed an 'anti-pesticide' suit called Kisan Kavach. The suit is intended to protect farm labourers from imbibing the pesticides they spray. Several of the common pesticides are potential neurotoxins and

detrimental to health. The kit consists of a trouser, pullover and a face-cover made of 'oxime fabric' that can chemically breakdown any of the common pesticides that get sprayed onto cloth or body during spraying operations. This prevents chemicals from reaching into the skin. The price per kit is ₹4,000.

INTERNATIONAL NEWS

Employees' Provident Fund Organisation wins global award

India has bagged International Social Security Association's (ISSA) 'Good Practice Award' for Asia and Pacific for this year for five services provided by Employees' Provident Fund Organisation (EPFO). ISSA president Dr. Mohammed Azman presented the award to the EPFO at the Regional Social Security Forum held in Riyadh, Saudi Arabia. The EPFO received five 'Certificates of Merit' for running 'efficient' communication channels, conduct of E-proceedings, outreach programme Nidhi Aapke Nikat, running multilingual call centres and pension order delivery initiative Prayaas for pension order delivery. The different communication channels in use to reach stakeholders received appreciation. "Digital and non-digital communication strategy is being adopted for efficient and timely communication," the Union Labour Ministry said on 05.12.2024. The EPFO uses webinars, short message service and e-mails, social media, information education communication videos and camps under Nidhi Aapke Nikat to educate and communicate with stakeholders. E-proceedings, such as conducting judicial proceedings to determine dues from defaulting employers, have also been considered for the award.

Coffee Reaches Record High; Brazil Crop Woes Add to Crunch

Coffee hit a record high in New York, on mounting worries over a global supply crunch that have made it one of the year's hottest commodities. Futures for the Arabica variety that's favoured in specialty brews have surged more than 80% this year amid crop setbacks in key growers, threatening to further pinch consumers' pockets. They rose as much as 4.9% on 03.12.2024, touching the highest in data going back to 1972 and eclipsing a peak set that decade when a disastrous so-called Black Frost decimated Brazilian trees. Fears have now grown about future supplies in top grower Brazil after a lengthy dry spell earlier this year. That's in addition to worries about output in Vietnam the largest producer of the cheaper robusta bean after its key coffee belt suffered from dryness during the growing period and heavy rains arrived at the start of harvest. Major trader Volcafe Ltd. cut its outlook for Brazil's arabica production after a crop tour revealed the severity of an extended drought. Brazil is seen producing just 34.4 million bags of arabica in the coming season, down by about 11 million bags from a September estimate, according to a presentation seen by Bloomberg News.

NEWS FROM MEMBER BANKS

Gujarat SCARDB

NCUI President visits Kheti Bank headquarters



National Cooperative Union of India (NCUI) President Shri Dileepbhai Sanghani paid a visit to the headquarters of the Gujarat State Co-Operative Agricultural and Rural Development Bank, popularly known as Kheti Bank on 10.12.2024. Shri Sanghani was warmly received by the bank's Chairman, Shri Dolarbhai Kotecha, and others. During his visit, he toured the modernized building, which stands as a symbol of progress and commitment to cooperative development in Gujarat. He offered a floral tribute to the statue of the Yuvraj of Porbandar, Shri Udaybhan Singh Ji, and the visionary Founder Chairman of the Bank. His homage highlighted the bank's rich legacy and its pivotal role in rural development. The visit reflects NCUI's ongoing support for cooperative institutions emphasizing the importance of innovation and modernization in strengthening India's cooperative movement. (Source: Indian Cooperative)

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