

## **The Cooperative Movement in India - A Brief History**

Even before formal cooperative structures came into being through the passing of a law, the practice of the concept of cooperation and cooperative activities were prevalent in several parts of India. Village communities collectively creating permanent assets like village tanks or village forests called Devarai or Vanarai was fairly common. Similarly, instances of pooling of resources by groups, like foodgrains after harvest to lend to needy members of the group before the next harvest, or collecting small contributions in cash at regular intervals to lend to members of the group viz., Chit Funds, in the erstwhile Madras Presidency, “Kuries” in Travancore, “Bhishies” in Kolhapur etc. were to be found. The “Phads” of Kolhapur where farmers impounded water by putting up bunds and agreed to ensure equitable distribution of water, as well as harvesting and transporting of produce of members to the market, and the “Lanas” which were yearly partnerships of peasants to cultivate jointly, and distribute the harvested produce in proportion to the labour and bullock power contributed by their partners, were similar instances of cooperation.

The agricultural conditions and absence of institutional arrangements to provide finance to agriculturists during the latter part of the nineteenth century led to mounting distress and discontent. The Famine Commission of 1880 and 20 years later, the Famine Commission 1901 both highlighted the deep indebtedness of the Indian farmer, resulting in many cases in his land passing into the possession of the money lending classes. The Deccan Riots and the prevailing environment of discontent resulted in the government taking various initiatives but the legislative measures did not substantially improve the situation.

The proposal for agricultural banks was first mooted in 1858 and again in 1881 by Mr. William Wedderburn the District Judge of Ahmednagar, in consultation with Justice M.G. Ranade, but was not accepted. In March 1892, Mr. Frederick Nicholson was placed by the Governor of Madras Presidency (for enquiring into the possibility) of introducing in this Presidency, a system of agricultural or other land banks and submitted his report in two volumes in 1895 and 1897.

In 1901 the Famine Commission recommended the establishment of Rural Agricultural Banks through the establishment of Mutual Credit Associations, and such steps as were taken by the Government of North Western provinces and Oudh. The underlying idea of a number of persons combining together was the voluntary creation of a new and valuable security. A strong association competent to offer guarantees and advantages of lending to groups instead of individuals were major advantages. The Commission also suggested the principles underlying Agricultural Banks.

### **Cooperative Credit Societies Act, 1904 - The First Incorporation**

Taking cognizance of these developments and to provide a legal basis for cooperative societies, the Edward Law Committee with Mr. Nicholson as one of the members was appointed by the Government to examine and recommend a course of action. The Cooperative Societies Bill, based on the recommendations of this Committee, was enacted on 25th March, 1904. As its name suggests, the Cooperative Credit Societies Act was restricted to credit cooperatives. By 1911, there were 5,300 societies in existence with a membership of over 3 lakhs. The first few cooperative societies registered in India under the 1904 Act in the first 5-6 years are as follows: Rajahauli Village Bank, Jorhat, Jorhat Cooperative Town Bank and Charigaon Village Bank, Jorhat, Assam (1904), Tirur Primary Agricultural Cooperative Bank Ltd., Tamil Nadu (1904), Agriculture Service Cooperative Society Ltd., Devgaon, Piparia, MP (1905), Bains Cooperative Thrift & Credit Society Ltd., Punjab (1905), Bilipada Service Cooperative Society Ltd., Orissa (1905), Government of India, Sectt. Cooperative Thrift & Credit Society (1905), Kanginhal Vyvasaya Seva Sahakari Bank Ltd., Karnataka (1905), Kasabe Tadvale Cooperative Multi-Purpose Society, Maharashtra (1905), Premier Urban Credit Society of Calcutta, West Bengal (1905), Chittoor Cooperative Town Bank, Andhra Pradesh (1907), Rohika Union of Cooperative Credit Societies Ltd., Bihar (1909). Under this Act, several non-credit initiatives also came up such as the Triplicane society in Madras which ran a consumer store, weaver credit cooperatives in Dharwar and Hubli, which gave credit in the form of yarn etc. However, these were registered as Urban Credit Societies.

The 1904 Act provided for constitution of societies, eligibility for membership, registration, liabilities on members, disposal of profits, shares and interests of members, privileges of societies, claims against members, audit, inspection and enquiry, dissolution, exemption from

taxation and rule making power. All other operational and managerial issues were left to the local governments namely to formulate suitable rules and model bye-laws of the cooperative societies. The institution of the Registrar, visualized as a special official mechanism to be manned by officers with special training and appropriate attitudinal traits to prompt and catalyze cooperative development was the result of the Cooperative Societies Act of 1904.

### **Cooperative Societies Act, 1912**

With the developments in terms of growth in the number of cooperatives, far exceeding anticipation, the Cooperative Societies Act of 1912 became a necessity and cooperatives could be organized under this Act for providing non-credit services to their members. The Act also provided for Federations of cooperatives.

With this enactment, in the credit sector, urban cooperative banks converted themselves into Central Cooperative Banks with primary cooperatives and individuals as their members. Similarly, non-credit activities were also cooperatively organized such as purchase and sales unions, marketing societies, and in the non-agricultural sector, cooperatives of handloom weavers and other artisans.

### **Maclagen Committee on Cooperation (1914)**

The Banking Crisis and the First World War both affected the growth of cooperatives. Although member deposits in cooperatives increased sharply, the war affected the export and prices of cash crops adversely, resulting in increased over-dues of loans of primary agricultural societies. To take stock of the situation, in October, 1914 a Committee on Cooperation under Sir Edward Maclagen was appointed by the Government, in October 1914, to study the state of, and make recommendations for the future, of cooperatives. The Committee's recommendations, which are detailed in Annexure-3, are basically related to credit cooperatives. It recommended building up a strong three-tier structure in every province with primaries at the base, the Central Cooperative Banks at the middle tier and the Provincial Cooperative Bank at the apex, basically to provide short-term and medium-term finance. Considerable emphasis was laid on ensuring the cooperative character of these institutions and training and member education, including training of the Registrar and his staff.

After the 1912 Act, the first Cooperative Housing Society, the Madras Cooperative Union in 1914, the Bombay Central Cooperative Institute in 1918 and similar institutions in Bengal, Bihar, Orissa, Punjab etc. came up. Other than consumer cooperatives and weavers cooperatives, other non-agricultural credit cooperatives generally performed well and grew in strength and operations during this period.

### **Government of India Act, 1919**

In 1919, with the passing of the Reforms Act, Cooperation as a subject was transferred to the provinces. The Bombay Cooperative Societies Act of 1925, the first provincial Act to be passed, among others, introduced the principle of one-man one-vote.

The agricultural credit scenario was a matter of concern and various committees looked into the problems of cooperative banks in various provinces. The Royal Commission on Agriculture in 1928 also reviewed the cooperative sector and among others recommended the setting up of land mortgage banks.

In both agricultural and non-agricultural non-credit sectors, societies were organized, but most faced difficulties in operation as a result of opposition by private marketing agencies and also the inexperience of their office bearers. This focused attention on strengthening of cooperative institutes and unions for education and training. A prominent development of this time was the setting up of the All India Association of Cooperative Institutes in 1929.

The setting up of the Reserve Bank of India (RBI) in 1934 was a major development in the thrust for agricultural credit. The Reserve Bank of India Act, 1934 itself required the RBI to set up an Agricultural Credit Department. As cooperatives were to be channels for rural development, with the establishment of popularly elected governments in 1935, programmes were drawn up in which rural indebtedness received priority. The Mehta Committee appointed in 1937 specifically recommended reorganization of Cooperative Credit Societies as multi-purpose cooperatives.

The Second World War boosted the prices of agricultural commodities leading to increased returns to farmers and consequently reduction in over-dues to the cooperatives. To counter shortages of essential commodities for domestic consumption as well as raw materials, the Government resorted to procurement of commodities from producers and rationing, for which it

decided to utilize the cooperatives. This provided a momentum to the growth of multi-purpose cooperatives.

The period between 1939-1945 provided a further stimulus to the growth of the Urban Cooperative Credit structure. Many societies had started banking functions and had grown in size and operations over a period of time, with substantial diversification of activities.

### **Multi-Unit Cooperative Societies Act, 1942**

With the emergence of cooperatives having a membership from more than one state such as the Central Government sponsored salary earners credit societies, a need was felt for an enabling cooperative law for such multi-unit or multi-state cooperatives. Accordingly, the Multi-Unit Cooperative Societies Act was passed in 1942, which delegated the power of the Central Registrar of Cooperatives to the State Registrars for all practical purposes.

In 1944, the Gadgil Committee recommended compulsory adjustment of debts and setting up of Agricultural Credit Corporations, wherever cooperative agencies were not strong enough.

### **Cooperative Planning Committee (1945)**

The Cooperative Planning Committee under the chairmanship of Shri R.G. Saraiya was set up in 1945. The Committee found cooperative societies to be the most suitable medium for democratization of economic planning and examined each area of economic development.

### **Pre-Independence Development**

In 1946, inspired by Sardar Vallabh Bhai Patel and led by Shri Morarji Desai and Shri Tribhuvan Das Patel, the milk producers of Khera District of Gujarat went on a fifteen day strike. Their refusal to supply milk forced the Bombay Government to withdraw its order granting monopoly procurement rights to Polson, a private dairy. History was made when two Primary Village Milk Producer Societies were registered in October 1946. Soon after on 14th December 1946, the Khera District Cooperative Milk Producers Milk Union known as Amul was registered.

The Registrars' Conference in 1947 recommended that the Provincial Cooperative Banks be re-organized to give greater assistance to primary societies through Central Banks. For the first time an effective linking of credit with marketing, and providing assistance by way of liberal loans

and subsidies for establishment of a large number of godowns and processing plants was considered.

It would be appropriate to mention here some developments in Bombay vis-à-vis cooperatives, which had an impact on the cooperative sector. Shri Vaikunth Bhai Mehta took over as Minister, In-charge of Cooperation in the Bombay Government after which the cooperative movement in the province received a boost. A Committee on Cooperative Education and Training under the chairmanship of Sir Janardan Madan, made recommendations for cooperative education programmes and the setting up of an Education Fund. The Agricultural Credit Organization Committee, with Sir Manilal Nanavati as Chairman recommended State assistance in agricultural finance and conversion of all credit cooperatives into multi-purpose cooperatives. It also recommended a three-tier cooperative credit banking system, and various subsidies etc.

### **Developments in the Post-Independence Era**

After India attained Independence in 1947, cooperative development received a boost, with cooperatives being given a vital role in the various plans formulated by the Planning Commission.

The First Five Year Plan (1951-56), outlined in detail the vision of the cooperative movement in India and the rationale for emphasizing cooperatives and panchayats as preferred organizations for economic and political development. The Plan emphasized the adoption of the cooperative method of organization to cover all aspects of community development. It provided for setting up of urban cooperative banks, industrial cooperatives of workers, consumer cooperatives, housing cooperatives, diffusion of knowledge through cooperative training and education and recommended that every government department follow the policy of building up cooperatives.

### **All India Rural Credit Survey Committee (1951)**

A major watershed initiative at this time was the appointment by Government of the Gorwala Committee, popularly known as the All India Rural Credit Survey Committee. The Committee was appointed in 1951 and submitted its report in 1954. It observed that large parts of the country were not covered by cooperatives and in such areas where it had been covered, a large segment of the agricultural population remained outside its membership. Even where membership did exist, the bulk of the credit requirement (75.2%) was met from other sources.

The Committee recommended introducing an integrated system of rural credit, partnership of the government in the share capital of the cooperatives and also appointment of government nominees on their boards, thus participating in their management. The Committee emphasized the importance of training. The creation of the State Bank of India was also a major recommendation.

The Government and the elected representatives accepted the basic approach and the major recommendations of the Gorwala Committee. The Union Government acquired a major interest in the Imperial Bank which was converted into the State Bank of India. A National Cooperative Development and Warehousing Board was set up. The Reserve Bank of India Act was amended to enable it to play an active role in building up of cooperative credit institutions.

The All India Cooperative Congress, held at Patna in 1956, accepted the principle of state participation and government representation on the Board of Directors of cooperatives. It resolved that the number of such nominees should not exceed one-third of the total number of Directors or three, whichever is less and applicable even to cooperatives having government share capital in excess of 50% of total share capital. This recommendation was accepted by the Central Government.

In 1953, the Government of India and the Reserve Bank jointly constituted a Central Committee for Cooperative Training to establish necessary training facilities for cooperative personnel. The All India Cooperative Union and the State Cooperative Unions were entrusted with training of members and office bearers of cooperative organizations.

The Second Five-Year Plan (1956-1961), emphasized “building up a cooperative sector as part of a scheme of planned development” as being one of the central aims of National Policy. It aimed at enabling cooperatives to increasingly become the principal basis for organization of economic activity. The Plan drew up programmes of cooperative development based on the recommendations of the All India Rural Credit Survey Committee (AIRCS). It was envisaged that every family in a village should be a member of at least one cooperative society. Linking of credit and non-credit societies to provide better services to the farmers was also targeted. State partnership with cooperative institutions at various levels, the essential basis of which was to be assistance and not interference or control, was recommended and for facilitating State partnership in cooperatives, the Plan also recommended the establishment of a National

Agricultural Credit Long-term Operations Fund. The National Cooperative Development Fund was also established by the Central Government, during this period, to enable states to borrow for the purpose of subscribing share capital of non-credit cooperative institutions in the country.

The Industrial Policy Resolution of 1956 emphasized the need for State assistance to enterprises, organized on a cooperative basis for industrial and agricultural purposes, and “to build up a large and growing cooperative sector”.

The Committee on Cooperative Law under the chairmanship of Shri S.T.Raja in 1956 recommended a Model Bill for consideration of State Governments. Another important development, at this time, which affected the cooperative sector, was the National Development Council Resolution (1958). The Resolution on Cooperative Policy stressed that cooperatives should be organized on the basis of the village community as the primary unit and that there should be close coordination between the village cooperative and the Panchayat. The Resolution also recommended that the restrictive features of existing cooperative legislation should be removed. Many State Governments amended their Acts, as a result of the recommendations of the Model Bill.

Cooperative marketing and processing of agricultural produce formed an important part of the Integrated Scheme of Cooperative Development in the Second Plan. About 1900 primary marketing societies were set up and State Marketing Federations were established in all the States, as well as the National Cooperative Marketing Federation at the Centre. Marketing cooperatives along with the agricultural cooperatives played a major role in promoting the Green Revolution by providing credit and inputs to farmers as well as processing their increased outputs.

The Third Five Year Plan (1961-1969) stressed that “Cooperation should become, progressively, the principal basis of organization in branches of economic life, notably agriculture, minor irrigation, small industries and processing, marketing, distribution, rural electrification, housing and construction and provision of essential amenities for local communities. Even the medium and large industries and in transport an increasing range of activities can be undertaken on cooperative lines”.

From the mid-sixties onwards agro processing cooperatives, particularly in the sugar and spinning sector grew in number and contribution, driven primarily by the government's policy of encouraging large scale industries in the cooperative sector and term loan assistance from financial institutions.

With the setting up of NDDB to replicate the Anand pattern of cooperatives in milk, the Indian dairy cooperative movement received a spurt. Later on NDDB also ventured into the field of edible oils.

After the Indo-China war in 1962, both the Consumer Cooperative Structure and the Public Distribution System (PDS) was strengthened. The government as a matter of policy decided to give preference to consumer or other cooperatives in the allotment of fair price shops and certain States allotted new fair price shops only to cooperatives.

With the growth of public deposits in Urban Cooperative Credit Societies, it was felt necessary to insure these under the Deposit Insurance Scheme of Reserve Bank of India. Selective provisions of the RBI Act 1934 and later Banking Regulation Act 1949 were made applicable to Cooperative Banks w.e.f. March 1, 1966 to regulate their banking business and facilitate insurance coverage of deposits. Thus, they became an integral part of the banking system of the country.

### **Some National Institutions which came into existence in the 1960s**

The Agricultural Refinance Corporation was set up in 1962 by the Government of India to provide long-term loans to cooperatives, through Central Land Mortgage Banks.

In 1963, the National Cooperative Development Corporation (NCDC) was established as a statutory corporation by an Act of Parliament. The establishment of the NCDC gave a great boost to the growth of cooperative marketing and processing societies.

While on a visit to Anand in October 1964, impressed by the socio-economic transformation brought about by milk cooperatives, Shri Lal Bahadur Shastri, the then Prime Minister of India, spoke of the desirability of setting up a national level organization, the National Dairy Development Board (NDDB), to replicate the Anand pattern of cooperatives in milk throughout the country.

Several other significant organizational developments also took place during this period such as the setting up of various National Cooperative Federations and re-organization of the National Cooperative Union of India (NCUI). In 1967, the Vaikunth Mehta National Institute of Cooperative Management was set up in Pune. Growth of consumer cooperatives was also an important development of this period. Simultaneously, the growth of Land Development Banks also accelerated and rural electric cooperatives and programmes for dairy, poultry, fishery and labour cooperatives were set up.

The Fourth Five Year Plan (1969-1974) gave high priority to the re-organization of cooperatives to make cooperative short-term and medium-term structure viable. It also made necessary provisions to provide cooperatives with management subsidy and share capital contribution, as well as for the rehabilitation of Central Cooperative Banks. It also emphasized the need to orient policies in favour of small cultivators.

The Mirdha Committee in 1965 laid down standards to determine the genuineness of cooperative societies and suggest measures to weed out non genuine societies; to review the existing cooperative laws and practices to eliminate vested interest. The recommendations of the Committee resulted in amendments in the cooperative legislation in most states, which destroyed the autonomous and democratic character of cooperatives.

The Fifth Five Year Plan (1974-1979) took note of the high level of over-dues. In its recommended strategy for cooperative development, the correction of regional imbalances and reorienting the cooperatives towards the under-privileged was to receive special attention. Based on the recommendations of an Expert Group appointed by the Planning Commission in 1972, structural reform of the cooperative set-up was envisaged. The Plan recommended the formulation of Farmers' Services Cooperative Societies as had been envisaged by the National Commission on Agriculture and stressed the need for professional management of cooperatives.

The Sixth Five Year Plan (1979-1985) also emphasized the importance of cooperative efforts being more systematically directed towards ameliorating the economic conditions of the rural poor. The Plan recommended steps for re-organizing Primary Agricultural Credit Societies into strong and viable multi-purpose units. It also suggested strengthening the linkages between consumer and marketing cooperatives. Consolidation of the role of Cooperative Federal Organizations, strengthening development of dairy, fishery and minor irrigation cooperatives,

manpower development in small and medium cooperatives were some of the planned programmes.

### **NABARD Act, 1981**

The National Bank for Agriculture and Rural Development (NABARD) Act was passed in 1981 and NABARD was set up to provide re-finance support to Cooperative Banks and to supplement the resources of Commercial Banks and Regional Rural Banks to enhance credit flow to the agriculture and rural sector.

### **Multi-State Cooperative Societies Act, 1984**

With the objective of introducing a comprehensive central legislation to facilitate the organization and functioning of genuine multi-state societies and to bring uniformity in their administration and management, the MSCS Act of 1984 was enacted. The earlier Multi-Unit Cooperative Societies Act of 1942 was repealed.

The Seventh Five Year Plan (1985-1990) pointed out that while there had been all round progress in credit, poor recovery of loans and high level of overdues were matters of concern. The Plan recommended amongst others development of Primary Agricultural Credit Societies as multiple viable units; realignment of policies and procedures to expand flow of credit and ensure inputs and services particularly to weaker sections; special programmes for the North Eastern Region; strengthening of consumer cooperative movement in urban as well as rural areas and promoting professional management.

With increasing demand from proponents of an autonomous cooperative movement and reforms in the Cooperative laws, the Government constituted a Committee on Cooperative Law for Democratization and Professionalization of Management in Cooperatives in 1985, headed by Shri K. N. Ardhanareeswaran. The Committee recommended the deletion of those legal provisions in State Cooperative Acts, which militate against the democratic character and autonomy of cooperatives, and also recommended incorporation of several provisions which could activate democratic processes for infusing professional management into cooperatives.

Similarly, in 1989 the Agricultural Credit Review Committee under the chairmanship of Prof. A.M. Khusro examined the problems of agricultural and rural credit and recommended a major

systemic improvement. The Committee recommended that the Eighth Plan should become the plan for revival of weak agricultural credit societies.

### **Model Cooperatives Act, 1990**

In 1990, an Expert Committee, under the chairmanship of Choudhary Brahm Perkash, was appointed by the Planning Commission to make a rapid review of the broad status of the cooperative movement, suggest future directions and finalize a Model Cooperatives Act. The Committee submitted its report in 1991. Since cooperation is a State subject and each State has its own cooperative legislation covering cooperatives whose membership is confined to the State, the report of the Committee, along with a draft Model Cooperative Law, was circulated to all State Governments for their consideration and adoption at State level.

The opening up of the economy in 1990, and the liberalized economic policies followed by the government since then, led to increasing pressures for various governments, state and central, to bring about changes that would provide cooperatives a level playing field to compete with the private sector. The Eighth Five Year Plan (1992-1997) laid emphasis on building up the cooperative movement as a self-managed, self-regulated and self-reliant institutional set-up, by giving it more autonomy and democratizing the movement. It also spoke of enhancing the capability of cooperatives for improving economic activity and creating employment opportunities for small farmers, labourers, artisans, scheduled castes, scheduled tribes and women and emphasized development and training of cooperative functionaries in professional management.

### **Parallel Cooperative Legislation**

From the Ninth Plan (1997-2002) onwards, there has been no specific mention about cooperatives as a part of the Plan. Since Cooperation is a State subject and recognizing the difficulties in having the existing State Cooperative Acts amended on the lines of the Model Cooperatives Act, a section of cooperators and civil society initiated action to put in place Parallel Cooperative Legislation for self-reliant cooperatives. Self-reliant cooperatives are generally defined as those which have not received any assistance from the Government in the form of equity contribution, loans and guarantees. These Acts are largely based on the recommendations of the Choudhary Brahm Perkash Committee. Ten States namely Andhra

Pradesh & Telangana (1995), MP (1999), Bihar (1996), J&K (1999), Orissa (2001), Karnataka (1997), Jharkhand (1996)), Chhattisgarh (1999) and Uttaranchal (2003), have so far enacted Parallel Cooperative Acts which are enabling and ensure autonomous and democratic functioning of cooperatives.

### **Multi-State Cooperative Societies Act, 2002**

The Multi-State Cooperative Societies (MSCS) Act, enacted in 1984, was modified in 2002, in keeping with the spirit of the Model Cooperatives Act. Unlike the State Laws, which remained as a parallel legislation to co-exist with the earlier laws, the MSCS Act, 2002 replaced the earlier Act of 1984.

### **National Cooperative Policy (2002)**

In 2002, the Government of India enunciated a National Cooperative Policy. The objective of the Policy is to facilitate an all-round development of cooperatives in the country. The policy promises to provide cooperatives with the necessary support, encouragement and assistance, to ensure their functioning as autonomous, self-reliant and democratically managed institutions, accountable to their members, and making a significant contribution to the national economy.

Based on the recommendations made at a Conference of State Ministers for Cooperation, the Government of India in 2002 constituted a Ministerial Task Force to formulate a plan of action for implementation of National Cooperative Policy. The Task Force suggested that a single law instead of parallel laws should be introduced in the States. It also recommended, among others, that in order to depoliticize cooperatives, Members of Parliament or Members of Legislative Assemblies should not be allowed to hold office of any cooperative society.

### **The Companies Amendment Act, 2002**

A Committee under the chairmanship of Dr. Y. K. Alagh recommended the amendment of the Companies Act, 1956. On the basis of the recommendations of the Committee, the Producer Companies Bill was introduced in the Parliament and became law on 6th February, 2003 as Part IXA - Producer Companies in the Companies Act, 1956. Based on the cooperative principles of mutual assistance, it provides an alternative to the institutional form that is presently available to cooperative enterprises.

## **NCDC Amendment Act, 2002**

Recognizing the need to improve its scope of lending and to bring about changes in its funding, the NCDC Act was amended in 2002, which has enabled it to cover notified services, livestock and industrial activities and more importantly to directly fund cooperatives against suitable security.

## **Task Force on Revival of Cooperative Credit Institutions**

To nurse the rural cooperative credit system back to health, to ensure that the rural credit doubled over three years and that the coverage of small and marginal farmers by institutional lending was expanded substantially, the Government of India in August 2004 set up a Task Force to suggest an action plan for reviving rural cooperative credit institutions and legal measures necessary for facilitating this process. The Task Force, chaired by Prof. A. Vaidyanathan, recommended that any financial restructuring which did not address the root causes of the weaknesses of the system would not result in its sustained revival and would require legal measures. The recommendations of the Task Force in accordance with its Terms of Reference are basically confined to revival of credit cooperatives for which it suggests a financial package. The Vaidyanathan Committee has also suggested a model cooperative law that can be enacted by the State Governments. Recommendations of the Task Force are being currently implemented. The Vaidyanathan Committee has also given its report on the long-term cooperative credit structure.