

COOPERATIVE SECTOR SYNERGY, THE LIVE CYCLE, END TO END



*A Quarterly Newsletter of
Cooperative Development Board*

March, 2023 | Volume: 01



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

www.icmai.in

Behind every successful business decision, there is always a **CMA**

About the Institute

The Institute of Cost Accountants of India (ICAI) is a statutory body set up under an Act of Parliament in the year 1959. The Institute as a part of its obligation, regulates the profession of Cost and Management Accountancy, enrolls students for its courses, provides coaching facilities to the students, organizes professional development programmes for the members and undertakes research programmes in the field of Cost and Management Accountancy. The Institute pursues the vision of cost competitiveness, cost management, efficient use of resources and structured approach to cost accounting as the key drivers of the profession. In today's world, the profession of conventional accounting and auditing has taken a back seat and cost and management accountants increasingly contributing towards the management of scarce resources like funds, land and apply strategic decisions. This has opened up further scope and tremendous opportunities for cost accountants in India and abroad.

After an amendment passed by Parliament of India, the Institute is now renamed as "The Institute of Cost Accountants of India" from "The Institute of Cost and Works Accountants of India". This step is aimed towards synergizing with the global management accounting bodies, sharing the best practices and it will be useful to large number of trans-national Indian companies operating from India and abroad to remain competitive. With the current emphasis on management of resources, the specialized knowledge of evaluating operating efficiency and strategic management the professionals are known as "Cost and Management Accountants (CMAs)". The Institute is the 2nd largest Cost & Management Accounting body in the world and the largest in Asia, having more than 5,00,000 students and 90,000 members all over the globe. The Institution operates through four regional councils at Kolkata, Delhi, Mumbai and Chennai and 114 Chapters situated at important cities in the country as well as 11 Overseas Centre headquartered at Kolkata. It is under the administrative control of Ministry of Corporate Affairs, Government of India.

Our Institute apart from being a member of International Federation of Accountants (IFAC), South-Asian Federation of Accountants (SAFA), Confederation of Asian & Pacific Accountants (CAPA), National Advisory Committee on Accounting Standards (NACAS), and National Foundation for Corporate Governance (NFCG) is also a member of Government Accounting Standards Advisory Board (GASAB).

VISION STATEMENT

"The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally."

MISSION STATEMENT

"The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting."

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MESSAGE FROM THE PRESIDENT



CMA Vijender Sharma
President

The Institute of Cost Accountants of India

It gives me immense pleasure to present the new look, and informative Newsletter of the Cooperative Development Board of the Institute of Cost Accountants of India. Through this Newsletter, we aim to provide our members information about domestic and international news on Cooperative and other stakeholders, a platform to seek actionable information and data on cooperative industry in India and in the process engage with each other to develop the information on cooperatively.

Cooperation means living, thinking and working together. In technical terms, it denotes a special method of doing business. Cooperation has high social aim in broad business frame and it puts the so called market values in a wider or more human setting. Cooperation as a thought and system of consciously coordinated activity has found acceptance under all political and economic systems all over the world.

The achievements of cooperatives need to be projected not only to the people and the policy makers in the Government but also to the biased critics, who appear to have been attracted towards the glamour of globalisation and liberalization. It is also necessary to advocate the significance of cooperatives for ensuring "fair globalisation" which means "people first, respecting their rights, cultural identity and autonomy and the empowerment of local communities in which they live". In this context the World Commission on Social Dimensions of Globalisation has highlighted the role of cooperatives in the areas of "strengthening dialogues and governance" and "strengthening economic capacities".

In a historic move, a separate 'Ministry of Cooperation' has been created by the Government of India in July, 2021, for realizing the vision of 'Sahkar se Samridhi'. The newly formed Ministry of Cooperation, headed by Shri Amit Shah, will aim to strengthen the cooperative movement in the country.

I hope, the publication will provide a good insight into the achievements and problems of cooperative Movement and also guide points for strengthening them in the context of dynamic changes taking place in the world.

Finally, I invite all stakeholders to explore the Newsletter and share their valuable feedback on its further development.

CMA Vijender Sharma
President

MESSAGE FROM THE CHAIRMAN



CMA Chittaranjan Chattopadhyay
Chairman
Cooperative Development Board

Greetings from the Chairman!!!

The Cooperative Development Board is releasing the first Quarterly Newsletter on Cooperative Sector Synergy, The Life Cycle, End to End for the readers.

Synergy is defined as “the simultaneous action of separate individual parts, which together produce a greater effect than any one of the parts alone”. Cost symbolizes energy that is being converted from one form into the other. Cost keeps on creating value at each and every stage of conversion. As energy never perishes, so does cost. Cost synergy is the savings in operating costs arising out of a situation wherein cost management activities complement each other’s strengths collectively.

The Cooperatives have achieved commanding position in many segments of national economy. To name a few; The present level of food security achieved by India is due to an effective role played by Cooperatives. To enhance the investment in agriculture, the cooperative credit and banking institutions are providing nearly 46% of total agriculture credit. Similarly, Cooperatives have a share of 37% in distribution of total fertilizers consumed.

In the sphere of value addition, the achievements of marketing and processing cooperatives are well known. Dairy cooperatives are the shining example of the success of the cooperative efforts of small dairy farmers not only in India but in the world. Similarly, for small entrepreneurs and urban people, the Urban Cooperative Banks and Credit Societies have played a very important role. The weaker sections of the community such as workers, fishermen, contract labour, weavers, women etc. have also been embraced by Cooperative Movement to provide them gainful employment and to bring them out of the vicious circle of poverty. In the sector of social development too, the role of (vi) cooperatives has been appreciable. Cooperative Hospitals, Education Cooperatives, Housing Cooperatives and Consumer Cooperatives have been rendering useful role in human development of the people.

The service sector is increasingly gaining in importance as a sector in terms of its contribution to the GDP. While many existing cooperatives are already providing services such as health, transport, education etc. to their members as welfare measures, instances of cooperatives providing services as commercial ventures are few and far between. Part-VI has three papers dealing with health cooperatives, transport and tourism cooperatives and housing cooperatives.

In this Newsletter the content is the collected result and accumulated wisdom of experts on Cooperative Sector and we feel the readers will enjoy reading.

Wish you a happy learning.

CMA Chittaranjan Chattopadhyay
Chairman

MESSAGE FROM THE COOPERATIVE DEVELOPMENT BOARD

We welcome to all the readers of the Newsletter of the Cooperative Development Board of the Institute!

It is with profound pleasure that we celebrate the launch of the Newsletter of Cooperative Development Board of the Institute with this inaugural issue. On behalf of the Cooperative Development Board we would like to extend a very warm welcome to the readership of the Members of the Institute.

Ever since the dawn of civilization, humans have been inclined towards knowledge and to organize, coordinate and work. Cooperative means - working or acting together willingly for a common purpose or benefit. Cooperatives bring people together in a democratic and equal way. The Cooperative Development Board of the Institute is trying to coordinate with the various State Cooperative Institutions in India with the aim to bridging the gap between the Institute and other Cooperative Bodies, Institutions dealing with Cooperative activities and to achieve the targeted success for the mutual benefit as desired by the Prime Minister Shri Narendra Modi.

Further, we will periodically issue special calls for papers to modernize and strengthen areas of Cooperative and development towards those, in a systematic way.

We take this opportunity to thank our authors, and anonymous reviewers, all of whom have volunteered to contribute to the first issue of this Newsletter.

We welcome contributions that can demonstrate practical usefulness, particularly contributions that take a multidisciplinary approach because many real world problems are complex in nature.

We hope to hear from you soon, and we welcome your feedback!

If you have any questions, suggestions, or concerns, please address them to cdboard@icmai.in

Cooperative Development Board

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COOPERATIVE MOVEMENT PRESENT STATUS, WAY FORWARD & ROLE OF CMAs



CMA SRINIVASARAGHAVAN S (Raghavan)

Ex CGM NKGSB Cooperative Bank, Mumbai

Cooperatives play a pivotal role in the economic and social development of the country. Cooperative Movement is more of a democratic movement wherein it is essentially “for the people by the people and of the People”. Cooperatives are set up for the mutual benefit of the members to achieve their common goals & objectives. Cooperatives are institutions of mutual help and sharing to achieve their common goals and objectives. More than 12 percent of the world's population is associated with cooperatives through more than 30 lakh cooperatives.

“An independent group of people who have come together voluntarily to address their common economic, social, and cultural needs and goals through a jointly owned and democratically controlled enterprise is a cooperative Society”

The importance of the cooperative sector in India can be substantiated by the following:

- 8.55 lakh societies out of the 30 lac societies are from India.
- 13 lakh people are associated with Cooperatives
- 91% of villages have some form of cooperatives
- Among the 300 largest cooperative societies of the world, three societies of India namely Amul, IFFCO and KRIBHCO are also included.

In India, the role played by Cooperatives is praiseworthy. Though initially Cooperatives were predominant in Agrarian sector it has now diversified into various sectors of the economy. Credit Banking, Dairy, Housing, Fertilizers, Sugar have been some of the most prominent cooperative sectors.

There is no sphere of economic activity which is left untouched by the Cooperative sector. Presently 21 National Level Cooperative Federations, 361 State Level Cooperative Federations and 2572 District Level Cooperative Federations operate in India. In the credit and banking segment, there are 1,485 urban cooperative banks, and 96,000 rural cooperative banks in addition to cooperative credit institutions. Yes, it is true some sort of consolidation is seen in cooperative sector and it is for the good of all to strengthen further the movement.

Cooperatives have a futuristic role of fostering collectivism and preserving the social capital base of the country. Cooperatives are the best channels to keep the spirit of collectivism and democracy afloat. The presence of a large network of social organizations, like cooperatives, would aid in the generation and utilization of social capital and ‘greater the social capital, greater would be the possibility of socio-economic sustainable development’

The contribution and support of the Union government besides various State Governments in the all-round Cooperative Movement has been immense. The setting of Union Ministry of Cooperation in July 2021 has been a welcome sign and the various policies unveiled by the Ministry has been only helping the Cooperative movement to collectively grow. The objective of the Ministry has been “Sahakar se Smridhi” (prosperity through Cooperatives), deepening Cooperative movement and make it an economic model.

There has been a number of new initiatives by the Union Government. The major highlights being,

- Computerisation of 63000 Primary Agricultural Credit Societies (PACS) in 5 years from 2022-23 to 2026-27.

- Cooperative Education & Training
- Collateral Free Credit Guarantee Loans to PACS & other credit Institutions
- Create a national data base of Cooperatives to help framing appropriate Policies
- Budget out lay of 1150 cr
- Create massive decentralised Storage Capacity
- Setting up large Multipurpose Cooperative Societies, Primary Fisheries Societies and Dairy Cooperative societies in the untapped villages in next 5 years

As part of networking and bringing together all, The Union Cabinet approved the registration of cooperative societies as 'Buyers' on Government e-Marketplace (GeM) platform. This enabled the cooperative societies to access more than 45 Lakh vendors on a single platform with better price discovery. There are around 54 lakh products listed across 9,702 product categories and 279 service categories. The estimated savings of around Rs.10, 000 crores was made in the FY 2021-22.

The development of the Cooperative sector in the field of credit and banking has been phenomenal. The setting up of "NAFCUB" as an Apex Umbrella Organisation amending Banking Regulation Act and RBI Act to bring Cooperative banks under tighter supervision of RBI has been a welcome sign. The increase in Housing loan through Cooperative banks of Rs 1.40 cr in Tier 1 cities and Rs 75 lacs in Tier 11 cities, opening up of Commercial real estate space to Regional Cooperative banks, allowing of door to door service for the customers of Cooperative banks, classification of Cooperative banks as Tier 1 to IV, Prescription of minimum Capital Adequacy based on new classification are all new developments to strengthen Cooperative banks. Besides many Cooperative banks have taken up digitalisation initiatives to be on par with other Scheduled banks and this has revolutionised Cooperating banking in a better way.

As part of strengthening the governance mechanism and to make more transparent the Multi State Cooperative Societies Act there is a proposal to amend the Multi State Cooperative Societies Act. This was proposed in December 2022 by way of an amendment bill. However, the proposed amendments have now been referred to a Joint Parliamentary Committee. The major highlights of the proposed amendments include,

- Setting up of Cooperative Election Authority with a chairman, VC and three other Members to oversee elections
- Only active members can be in Board

- For redressal of Complaints OMBUDSMAN being set up
- The central government may give directions and supersede the boards of specified multi-state cooperative societies
- Board can have 21 members with another two co-opted experts in the field of banking, finance, Cooperative Management etc
- By two thirds majority the Cooperative societies can be merged / demerged / amalgamated
- Increased penalties for non-filing of returns

All these point to the fact that cooperatives are now being considered as an important plank of economic development of the country. The cooperatives have inherent advantages in tackling the problems of poverty alleviation, food security and employment generation. Cooperatives have immense potential to deliver goods and services in far flung areas and networking of the rural India. Having said that there is a lot to be done on upgradation of the skill set of the people involved in the Cooperative sector. Though the Union government is on the job of Training the members, still a lot needs to be done for the knowledge upgradation and guidance of Members. In this context the Cost and Management Accountants can play a vital role to bridge the knowledge gap and also as a facilitator. The major areas where CMAs can play a pivotal role can be:

- To define a structure of a Cooperative society / UCBs /RRBs / PACS etc
- To draft byelaws and other agreements
- To Maintain books of accounts and ensuring Statutory compliances
- To be an Internal auditor
- To facilitate Merger and Dissolution of Cooperative societies
- To help in pricing of produce and also understanding market conditions
- To be a Consultant on Cost Management for big cooperative societies/banks
- To be independent Directors in UCBs / Big Coop Societies/ Coop Board etc
- To be an advisor to RBI / Cooperative Ministry / Boards
- To be MD / CFO / CRO / Audit Head in Coop Banks
- To Frame Policies, Systems & Procedures in banks
- To be a consultant on Risk Management & set up Risk Management Dept in UCBs
- To set up Risk Based Internal Audit in UCBs

- To be a Treasury consultant to manage liquidity
- To Prepare, Implement and guide in Corporate Governance in UCBs
- To be empanelled as Valuers
- To be empanelled as Stock audit auditors
- To be a Cooperative Arbitrator
- To be appointed as OMBUDSMAN
- To be a Tax consultant
- To perform Social Audit in large Cooperative societies.

The list can be exhaustive and the above are only some suggestions where CMAs can play important role in the development of Cooperative sector. It shall be right opportunity for the BFSI Board of ICAI to start a

Certified course Cooperative Sector for the benefit of all.

Any development route requires the contribution of rural India. Transformation and revitalization of its rural economy is the key for economic development and this requires people's empowerment and participation. India is presently aiming at meaningful reforms in the cooperative sector and the government aim to make cooperative movement to be at its peak in the country by the year 2047 and make 70 crore underprivileged persons financially self-reliant, through cooperatives. There is only one way for the sector to look at "Move in Consolidation and grow".

NATIONAL NEWS ON COOPERATIVE SECTOR

Union Minister Shri Amit Shah lists 21 new initiatives of ministry since its formation

Union Minister of Cooperation, Shri Amit Shah listed the steps taken after the formation of the new Cooperation Ministry in July, 2021. He clarified that the Ministry of Cooperation is responsible for providing administrative, legal and policy framework for strengthening the cooperative movement in the country, information related to procurement of vegetable or fruits or any kind of agricultural produce by cooperative societies is not available with this Ministry. In order to strengthen and promote the cooperative ecosystem in various sectors including the agriculture based cooperative societies, the Ministry of Cooperation since its formation in July, 2021 has taken various initiatives such as: –

1. Computerization of PACS: Process to on board 63,000 functional PACS on an ERP based common national software with an outlay of 2,516 Crore started.
2. Model bye laws for PACS: Model bye laws prepared and circulated for their adoption as per the respective State Cooperatives Act to enable PACS to undertake more than 25 business activities like dairy, fishery, setting up of go downs, LPG/ Petrol/ Green energy distribution agency, banking correspondents, CSC, etc.
3. PACS as Common Service Centres (CSC): MoU signed between Ministry of Cooperation, Ministry of Electronics and Information Technology, NABARD and CSC – SPV to facilitate functioning of PACS as CSCs to improve their viability, provide e-services at village level and generate employment.
4. National Cooperative Database: Preparation of an authentic and updated data repository of cooperatives in the country started to facilitate stakeholders in policy making and implementation.
5. Establishment of Multi-Purpose PACS, Dairy and Fisheries Cooperative Societies in every Panchayat/Village: A plan has been approved by the Government to set up 2 lakh new multi-purpose PACS, dairy and fisheries cooperatives covering every Panchayat/Village in the next five years by taking advantage of various existing schemes.
6. National Cooperative Policy: A National level committee composed of experts and stakeholders drawn from all over the Country constituted to formulate the New Cooperation Policy to create an enabling ecosystem to realize the vision of '*Sahakar-se- Samriddhi*'.
7. Amendment of MSCS Act, 2002: Bill introduced in the Parliament to amend the centrally administered MSCS Act, 2002 to incorporate provisions of 97th Constitutional Amendment, strengthen governance, enhance transparency, increase accountability and reform electoral process in the Multi State Cooperative Societies.
8. National Cooperative Development Corporation: New schemes for cooperatives launched by NCDC in various sectors such as '*Swayamshakti Sahkar*' for SHG; '*Deerghavadhi Krishak Sahkar*' for long term agricultural credit; '*Dairy Sahkar*' for dairy and '*Neel Sahkar*' for fisheries. Total financial assistance of Rs. 34,221 Crores disbursed in FY 2021-22.
9. Member Lending Institutions in Credit Guarantee Fund Trust: Non-scheduled UCBs, StCBs and DCCBs notified as MLIs in CGTMSE Scheme to increase share of cooperatives in lending.
10. Cooperatives as 'buyers' on GeM portal: Cooperatives permitted to register as 'buyer' on GeM, enabling them to procure goods and services from nearly 40 lakh vendors to facilitate economical purchases and greater transparency.
11. Reduction in surcharge on cooperative societies: Surcharge reduced from 12 % to 7% for cooperative societies having income between Rs 1 to 10 Cr.
12. Reduction in Minimum Alternate Tax: MAT reduced for cooperatives from 18.5% to 15%.
13. Relief under Section 269ST of IT Act: A clarification has been issued to remove difficulties in cash transactions by cooperatives under Section 269ST of IT Act.

14. Lowering tax rate for new cooperatives: Announcement made in the Union Budget 2023- 24 to charge flat lower tax rate of 15%, compared with current rate of upto 30% plus surcharge, for new cooperatives commencing manufacturing activities till March 31, 2024.
15. Increase in limit of deposits and loans in cash by PACS and PCARDBs: Announcement made in the Union Budget 2023-24 to increase limit from Rs. 20,000 to Rs. 2 lakhs per member for deposits and loans in cash by PACS and PCARDBs.
16. Increase in limit for TDS: Announcement made in the Union Budget 2023-24 to increase cash withdrawal limit for cooperatives from Rs. 1 Crore to Rs. 3 Crore, per annum, without being subjected to TDS.
17. Relief to Sugar Cooperative Mills: Sugar cooperative mills not to be subjected to additional income tax for paying higher sugarcane prices to farmers up to Fair and Remunerative or State Advised Price.
18. Resolution of chronic pending issues of Sugar Cooperative Mills: Announcement made in the Union Budget 2023-24 to allow sugar

cooperatives to claim as expenditure their payments to sugarcane farmers for the period prior to assessment year 2016–17, giving a relief of nearly Rs. 10,000 crores.

19. New National Multi-State Cooperative Seed Society: New apex national multi-state cooperative seed society being established under the MSCS Act, 2002 as an umbrella organization for quality seed cultivation, production and distribution under a single brand.
20. New National Multi-State Cooperative Organic Society: New apex national multi-state cooperative organic society being established under the MSCS Act, 2002 as an umbrella organization to produce, distribute and market certified and authentic organic products.
21. New National Multi-State Cooperative Export Society: New apex national multi-state cooperative export society being established under the MSCS Act, 2002 as an umbrella organization to give thrust to exports from the cooperative sector.

Source: <https://www.indiancooperative.com>

Creating World's Largest Food Grain Storage Plan in Cooperative sector

During the year 2023-24, the Government intends to introduce the new Schemes towards creation of World's Largest Food Grain Storage Plan in the Cooperative Sector, strengthening the Cooperative Movement in the Country and deepening its Reach up to the Grassroots level and computerization of Agriculture and Rural Development Banks (ARDB).

This has been mentioned in the report submitted by the Standing Committee on Agriculture, Animal Husbandry and Food Processing.

The Ministry of Cooperation envisages to play the role of coordinator with all concerned Ministries in the

implementation of these new Schemes particularly the Scheme of Computerization of ARDBs to be implemented by NABARD, the report reads.

Besides, the Committee in this regard expressed their earnest hope that the Ministry of Cooperation would strive to establish a robust mechanism for the effective coordination among different Ministries in the implementation of various welfare Schemes for the promotion of Cooperative Societies in the country.

Source: <https://www.indiancooperative.com>

One click & Rs 16K cr reaches farmers without middle man: PM on New India



One click & Rs 16K cr reaches farmers without middle man, PM on New India

Prime Minister Shri Narendra Modi transferred the 13th instalment of about Rs 16,800 crore under the ambitious Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme of the Government of India, through Direct Benefit Transfer (DBT) to the bank accounts of more than 8 crore beneficiary farmers across the country.

Thousands of farmers were present in this huge programme at Belagavi in Karnataka, while crores of farmers and others joined online. “On just one click, more than Rs. 16,000 crores have reached the bank accounts of crores of farmers across the country. Such a huge amount has been transferred in a moment, no middleman, no cut-commission, no corruption, this is Modi’s Government, every bit is yours, it is for you”, said Modi on the occasion.

Chief Minister of Karnataka, Shri Basavraj Bommai, Union Minister of Agriculture and Farmers Welfare, Shri Narendra Singh Tomar, Union Minister of State for Coal, Mines and Parliamentary Affairs, Shri Pralhad Joshi and Union Minister of State for Agriculture, Sushri Shobha Karandlaje and other elected representatives were also present on the occasion.

There are 80-85% of small farmers in India, now these Small Farmers are a priority of the government. About Rs. 2.5 lakh crores so far have been deposited in the accounts of these small farmers. Of this, more than Rs. 50,000 crores have been deposited in the accounts of our sisters and mothers.

The Prime Minister said that since 2014, the country has been continuously moving towards a transformational change in agriculture. With a massive rise in budget for agriculture our government has kept the interests of sugarcane farmers’ paramount, he said.

Prime Minister referred to PM Pranam Yojana for the farmers, through this, the States that reduce the use of chemical fertilizer will get additional help from the Center. He also referred to this government emphasis on Millet, Shreanna. In our country, small farmers were ignored for decades, now these small farmers are the priority of our government, he underlined.

Nowhere else in the world, such a large number, such a large amount, is deposited directly in the bank accounts of farmers, it does not happen in any other country. It is a matter of pride that so far Rs. 2.24 lakh crores have been transferred to the accounts of about 11.5 crore farmers, said Tomar speaking on the occasion.

Stressing on PM commitment for the farmers, Toamr said “In this budget also, along with financing the Agri Startups, promoting Natural Farming, Millets and Horticultural crops, development through technology in the Agriculture sector, increasing plantations, enough provisions have been made for every subject, which is benefitting the Agriculture sector and will continue.”

Source: <https://www.indiancooperative.com>

Cooperatives to help achieve goal of “Ek Bharat Shreshtha Bharat”: Shri Amit Shah



Shri Amit Shah addressing the Kashmir Mahotsav

Shri Amit Shah was addressing the Kashmir Mahotsav, organized by the Indian Institute of Sustainability, Gujarat University through video conferencing on Thursday. Several dignitaries including Union Minister Dr. Jitendra Singh were present on this occasion. Amit Shah said that by forming the Ministry of Cooperation, Prime Minister Shri Narendra Modi is trying to connect every single village with the development system and the poorest of the poor Indian with the economy.

Shri Shah added that Prime Minister Shri Narendra Modi has called upon the countrymen, especially the youth, to imbibe the concept of “**Ek Bharat Shreshtha Bharat**” as the mantra of life. Shah felt that a robust co-op movement would go a long way in making India a unique country.

The country’s first innovation park was established in Gujarat University and currently it is supporting more than 300 start-ups, said Shah adding the Amul Cooperative Society in Gujarat smoothly functions with the hard-work of over 28 lakh women and its annual turnover is Rs. 60,000 crores.

He said that recently the Union cabinet, under the leadership of Prime Minister Shri Narendra Modi has decided that in the next three years, Multidimensional Primary Agricultural Credit Societies (PACS) will be constituted in two lakh panchayats of the country which will give new dimensions to rural development to the Panchayats.

Shri Shah said that the Ministry of Cooperation is working with state governments to form these multi-purpose PACS at the grassroots level. It bears recalling that after being entrusted with the assignment of the Cooperation Ministry, Shah and his team have worked out a model of PACS for every Panchayat. The multipurpose PACS aims to make itself the nodal point for all development activities.

The future PACS will also act as a source of information/data centre to be used by the Government for various purposes. It will also act as a Common Service Centre for facilitating on-line/digital services in the area of operation of the Society. PACs to be crucible for rural development.

In his address, Amit Shah touched on many other issues beyond cooperatives which included the eminent position of Kashmir in Indian history, different schemes launched by the Prime Minister such as ‘Skill India’, Pradhan Mantri Mudra Yojana, Digital India Mission, Fit India, Khelo India for the youth of the country.

Source: <https://www.indiancooperative.com>

Minister joins hands with IFFCO team to popularize Nano fertilizers

The Central Government led by the Prime Minister Narendra Modi have been exhorting farmers to take up to Nano range of fertilizers for increased benefits. Recently, after Nano Urea, the Prime Minister lauded the new technology of the largest fertilizer cooperative IFFCO's Nano DAP and called it a game changer for farmers of the country.

The PM wrote, "An important step towards making life easier for our farmer brothers and sisters"; Union Chemicals and Fertilizers Minister Mansukh Mandaviya wrote, "Another big achievement towards self-sufficiency in fertilizers! After Nano Urea, the Government of India has now approved Nano DAP"

The fertilizer cooperative organized a cooperative conference at Palitana in Bhavnagar district of Gujarat where among others, expounded at great length on the benefits of Nano Urea and Nano DAP before the farmers.

Sharing the news through social media, Shri Mansukh Mandaviya wrote, "Interacted with the farmers in the awareness program on Nano Urea and Nano DAP

organized by IFFCO in Palitana. Discussed with farmers the benefits of Nano Urea and Nano DAP like their low cost and protection of soil and environment".

More than a thousand farmers were present in the assembly which was addressed one by one by each of them— IFFCO Chairman Dileep Sanghani Managing Director Dr U S Awasthi and Marketing Director Yogendra Kumar, among others. Addressing the farmers, IFFCO Chairman Dileep Sanghani said, "The newly developed technology IFFCO Nano Urea and DAP will certainly reduce the use of chemical fertilizers and enhance crop productivity. This is a giant step towards sustainable agriculture". "We urged the farmers to use the Nano range of fertilizers developed by IFFCO on their crops to get better and encouraging results. It is eco-friendly with more productivity which will in turn make farmers' income double", he added.

Displaying a fruitful partnership between the government and the cooperative, Union Minister Mansukh Mandaviya and IFFCO Chairman & MD Dileep Sanghani and Dr U S Awasthi, joined hands in popularizing Nano range of fertilizers in Gujarat



Minister joins hands with IFFCO team to popularize Nano fertilizers

Source: <https://www.indiancooperative.com>

NCUI & NFCSF join hands to promote use of social media in Cooperatives

National Cooperative Union of India (NCUI) in association with National Federation of Cooperative Sugar Factories Limited (NFCSF) organized a webinar on social media (SM) awareness for member institutions of the sugar federation. The objective of the meet was to highlight the importance of SM for coops, its utility in communicating with internal & external stakeholders, discuss ways to initiate steps for handling SM a/c, content building & enhance SM followers' count.

In his inaugural speech, NFCSF MD Prakash Naiknavare exhorted the participants to give due weightage to SM handles to ensure sugar coops turn into 'vibrant business entities', well-equipped to compete in the market economy as envisaged by the Ministry of Cooperation.

In his Keynote address, IFFCO PR Head Harshendra S. Verdhan said that sugar coops should establish strong connect with the farmers through social media, & must think of ways to utilize each SM platform according to their needs e. g, he said that FB page should give emphasis to experiences of sugar farmers, while Twitter can be more opinion-oriented on topical issues confronting the coop sugar sector.

Verdhan further highlighted the importance of customer-centric stories & experiences on SM handles for enhancing the business of sugar factories and showcasing the uniqueness of the co-op model.

Founder of ISRA & Resource Person at the NCUI Incubation Centre, Abhishek highlighted the tech aspects of SM platforms like usage of tags/hashtags, managing pages & profiles on SM handles etc. Sanjay Verma, Director (Pub/PR), NCUI, said that social media being cost-effective & advancing reach can be a game-changer for coops whose communications strategy is weak compared to corporates.

Anuradha, E&CA, NCUI, moderated the webinar & presented a SM strategy document, primarily focusing on 3 basic aspects of posts' content, creation, quality & variation, & shared ways in which SM handles can be utilized by sugar coops in their various areas of functioning with a target-oriented approach.

Source: <https://www.indiancooperative.com>

Mehta seeks urgent resolution of Priority Sector Lending from Shah

The apex body of Urban Cooperative Banks-NAFCUB's delegation led by its President Jyotindra Mehta met the Union Cooperation Minister Amit Shah and discussed issues related to the Urban Cooperative Banking Sector.

During the meeting, the Nafcub delegation laid emphasis on achieving the target of Priority Sector Lending (PSL). The issue is becoming a major challenge especially for those UCBs that fall under Tier-2 and Tier 3 categories.

Talking to the Indian Cooperative soon after the meeting, Nafcub President Jyotindra Mehta said, "It was a fruitful meeting with the honourable Union Home and Cooperation Minister Amit Shah. Several issues related to the cooperative banking sector were part of deliberation".

We raised the issue relating to the RBI notice for UCBs on meeting the target of Priority Sector Lending. "We tried to impress the Minister how hard-pressed UCBs are, on the issue of investment in infrastructure bonds of SIDBI," said Mehta.

The NAFCUB team comprising Mehta, D Krishna and CE also requested the Minister to help curb RBI's tendencies of applying small Finance Bank lending norms to UCBs. Mehta had earlier, written a letter to this effect to the govt.

Mehta further added, "We demand modifications in achieving the target for UCBs under PSL from existing 60 percent to 40 percent on the lines of Commercial Banks. The Union Minister listened to our issues patiently and took our views on issues. Let's hope for some good news sooner than later", Mehta said. He also met the Union Cooperation Secretary Gyanesh Kumar and others for seeking their help to resolve the issues.

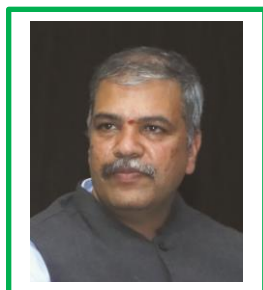
According to the figures received at the desk of the Indian Cooperative, "In 2020-21, twenty-two Maharashtra UCBs received the notice from RBI. The shortfall amount in the said year is more than Rs 2000 crore whereas in 2021-22, about 23 Maharashtra based UCBs didn't meet the PSL target. The shortfall amount in this year is around Rs 2500 crore.

One of the cooperative banking experts said, "Blocking funds at lowest rates would have severe consequences and effects on the availability of funds for lending, NIM and profitability of banks".

Many UCBs do not have sufficient liquidity to invest such a huge fund in these infrastructure bonds of SIDBI. In order to meet this shortfall, UCBs will have to raise funds for investment with SIDBI by liquidating SLR securities i.e. Government securities as a distress sale at lower market values by incurring huge losses.

Source: <https://www.indiancooperative.com>

COOPERATIVE AUDITS IN KARNATAKA AND ROLE OF COST ACCOUNTANTS



CMA N RAVEENDRANATH KAUSHIK

RAVEENDRANATH KAUSHIK & ASSOCIATES, BENGALURU
COST ACCOUNTANT

Empanelled Auditor under Department of Cooperative Audits, Karnataka

Ever since the idea of Cooperative Federalism was thought of and started penetrating in to the system, one can see lot of changes taking place in the way the Cooperatives are running their business and the areas to which they are expanding so as to make their members more connected and deliver them the maximum benefits. Cooperatives are aiming to reduce the size of inequalities which exist in the society and also aims at improving the economic conditions of the people residing in both the Urban and Rural areas.

In Karnataka, the first Cooperative Society was registered in 1905 in Gadag District. The Mysore Cooperative Societies Act 1959 is the first legislation in Karnataka State and it came in to being from 25th May 1960. There are around 37,000 plus functional societies in Karnataka.

The Karnataka Cooperative Societies (Amendment) Rules, 2015 in its Gazette notification published on 24-02-2015 in Rule 29-B amended to include the words “Cost Accountants and Cost Accountant Firms” “to carry out the Audit of the Cooperative Societies. This inclusion of Cost Accountants and Cost Accountant Firms in the meaning of “Auditors” was challenged by a writ petition in the High Court and the honorable judge of the High Court dismissed the petition on 29th March 2016 and passed the order in favour of our profession.

AUDITOR & SCOPE OF AUDIT

Section 63 of Karnataka Cooperative Societies Act, 1959 mentions that “Every Cooperative society shall get its accounts audited at least once in a year before the first of September following the close of the Cooperative year by an auditor or an auditing firm appointed by the general

body of the Cooperative society from a panel of auditors or auditing firms approved by the Director of Cooperative audit.” Further, Amendment of Rule 29-B sub rule (1) after the words ‘Chartered Accountant Firm’, the words ‘and Cost Accountants and Cost Accountant Firm’ shall be inserted” was changed. In Karnataka, now a Cost Accountant and Cost Accountant Firms are eligible to empanel with Department of Cooperative Audit, Government of Karnataka to carry out the assignment of Audit of various Societies registered under the Act. Following are the different types of Societies where in Audit can be carried out:

1. Taluk Agricultural Marketing Cooperative Societies
2. Credit Cooperative Societies
3. Irrigation Cooperative Societies
4. Primary Agricultural Cooperative Societies
5. Housing Building Cooperative Societies
6. Dairy Cooperative Societies (KMF)
7. Industrial Cooperative Societies
8. Processing Cooperative Societies
9. Weavers Cooperative Societies
10. Oil Seeds Cooperative Societies
11. Fisheries Cooperative Societies
12. Handicrafts Cooperative Societies
13. Poultry Cooperative Societies

Apart from the above, Cost Accountants and Cost Accountant Firms can also carry out Audits of Sahakari's registered under Karnataka Sahakari Shakari Act, 1997.

Since the main objective of the Cooperative Society is to provide good service to members of the society, the scope of the Audit also focuses on areas where Members interest are more concerned for. A committee by name

Mirdha Committee on Cooperation envisaged on looking beyond the Cooperative Act and recommended that the Cooperative Audit should include scrutiny of the extent of benefit accruing to the weaker sections of the society members. It also further went on to say that, the Auditor should embrace all circumstances which determines the general position of the society and should aim at seeing that the society is working on the sound lines. So, on one side the compliance part as per the provision of the Act need to be looked in to and on the other side, a more important one the interest of members should also be taken care of at the time of conducting the Audit.

IMPORTANT PROVISIONS TO COOPERATIVE AUDIT

Section 63 of the Karnataka Cooperative Societies Act, 1959 deals with the Audit provisions. Some of the important provisions with respect to Audits are:

1. **Sec 63(5)**- The auditor or auditing firms shall at all times have access to all the books , Accounts, Documents, Papers, Securities, Cash and other properties (Sub rule 1 of Rule 29) belonging to the society or in the custody of any member of the board or the office bearer or the chief executive or any other employee of the society and may summon any person in possession or responsible of the custody to produce the same at the Registered office of the society or at any branch thereof or at any public office at the head quarters of the society.
2. **Sec 63(7)** - The board of every Cooperative society shall ensure that the annual financial statements like the Receipts and Payments or income and expenditure, profit and loss and the balance sheet along with such schedules and other statements are prepared and presented for the audit before the auditor and auditing firm within 30 days of the closure of that Cooperative year (sub Rule 3 of Rule 29).
3. **Sec 63(8)**- The auditor or auditing firm shall conduct and complete the audit of accounts as provided for in this act or the Rules and send copies of audit report and communicate the results of audit to the Cooperative society, the Registrar, The Director of Cooperative audit.
4. **Sec 63(10)**- If the result of the audit discloses any defects in the working of the society, the board shall take steps to rectify the defects and remedy the irregularities pointed out in the audit report and place the audit report along with the action taken report before the general meeting . The Board has to take steps for rectification of all the defects pointed out in the audit report till all the defects are rectified and irregularities are remedied (sub Rule 5 of Rule 29).
5. **Sec 63(11)** - The Director of Cooperative audit shall submit the audit reports of an Apex Cooperative

society to the State Government annually to be placed before the legislature (Rule 29B).

6. **Sec 63(12)**- If it appears to the general body of a Cooperative society that there is a prima-facie case of fraud or misappropriation or embezzlement of funds not detected or properly examined by the auditor , the general body may resolve to provide for a re-audit of any account of the society and the rules applicable to the audit applies to re-audit (Rule 29E).
7. **Sec 63(13)** - If it appears to the State Government that there is a prima-facie case of fraud or misappropriation or embezzlement of funds not detected or properly examined by the auditor during regular audit or misclassification of accounts or for any other valid reasons, on an application by Cooperative Society or otherwise that it is necessary or expedient to re-audit the accounts of a society, it may order for re-audit of the accounts of the society (Rule 29F).
8. **Sec 63 (17)** - the audit report shall have
 - (a) All the particulars of the defects or the irregularities observed in the audit and in case of financial irregularities and misappropriation or embezzlement of funds or fraud, the auditor or the auditing firm shall investigate and report the modus operandi, the entrustment, amount involved and fix the responsibility for such act on the members of Board or the employees of the society or any other person as the case may be with all necessary evidence.
 - (b) Accounting irregularities and their implications on the financial statement to be indicated in detail in the report with corresponding effects on profit and loss.(sub Rule 4 of Rule 29)
 - (c) The functioning of the general body, board and sub committees to be checked and any irregularities or violations observed to be reported duly fixing the responsibilities for such acts.
 - (d) All schedules and other statements as may be prescribed.

COST ACCOUNTANT AS COOPERATIVE AUDITORS

As a Cost Accountant we need to demonstrate exemplary skills at the time of carrying out Audit. As this is not just a Financial Audit focusing only on Financial transactions but, it involves lot of visionary approach to verify the areas where the society members at large and the cooperative ministry and departments will also be affected. As the report of the Cooperative departments will be placed in the state assembly, it is important that we need to exercise extra caution while giving our report. It is also found that majority of the credit societies have gone for bankruptcy and many of them have not maintained books of account and also reported huge misappropriation or embezzlement of funds. Department of Cooperative Audit in Karnataka is slowly moving away from sending Department Auditors to

carry out the Audit and instead they are banking on the empannelled professionals to carry out the Cooperative Society Audit.

So, Department of Cooperative Audit has lot of dependency and as well expectationse on professionals to carry out the Audit. My experience as Auditor for almost all types of Societies in both rural and urban areas till now is that there are lots of areas where our value added services can be offered other than the role defined under Section 63 of the Act. Since, the major objectives of the Audit are to protect the interest of the members and to ulofit the members economically, our role beoyond Audit is very much required. We need to be focussed more on the function areas of the societies and to see how we can add value to the service what we reneder. Societies are very much in need of constructive solutions to lot of issues they are facing. There are many Societies in rural areas which are still controled and managed by few influencial people due to which there is lack of participative approach in the Societies. Such societies even though have a very good potential to grow and expand but, the greed to control by few people has defeated the very purpose of Cooperative federalisim.

ROLE OF COST ACCOUNTANTS IN VALUE ADDITION

1. **Standardising the Accounting process across all Societies:** It is found that there is no common set of procedures which the societies follow in terms of mainiting the accounting process. It is found that the treatment of revenue and expenses items are not done according to any standardised principles. The financial statemnts prepared based on such type of practices do not show accurate information. It also becomes very difficult to compare the performance of one society with the other.
2. **Insisting on adopting new customised Software:** It is still found that many of the societies which are operating with huge member base and having sufficient good working capital and Fixed Deposits still follow manual system of recording the transactions. I have seen some of the societies which have branches spread across some districts but still don't have common software to consolidate the accounts of the business. This has resulted in lot of challenges in maintaining accurate books of accounts.
3. **Redrafting of Bye Laws which are outdated:** There are many significant developments which are taking place in Cooperative business due to the changes taking place in the financial segments. Government through various schemes is now engaging the Cooperatives to reach to the members to take the benefits. This requires the bye laws to be

professionally rewritten and this can be done with the help of professionals.

4. **Introducing Working Capital, Receivable and Inventory Management:** One of the requirements which I seriously find that it is very important in almost all the society is that they are not serious about managing the working capital, receivable and inventory. Many societies are not aware of the significant ratios which they need to use to compare the performance and also they do not have a proper receivable management plan. In some of the PACS, I myself found that they don't follow any inventory management policy and some time I found huge stock of grains and fertilisers being rotten, pilefered and destroyed because of not having proper Inventory policy.
5. **Awareness about Statutory Compliances:** Many societies are still not aware of the statutory provisions which they are supposed to comply with and because of which they are ending up with paying huge penalty. As a professional, it becomes our duty to create awareness about the statutory compliances and also to update them with changes in the compliances as and when it happens. Many of the societies are of the impression that since they are coming under Cooperative Act, they are Government bodies and so no need to comply with any of the statutory compliances.

Conclusion

Cooperatives are very large individual movements which are supported by state government and they work for social justice. The role of Cost Accountant should not only be restricted to the provision of Audit as envisaged under Secion 63 but, we need to go further a head in providing our professional advisory services in those areas where they are still lagging with. We should add value to our services by giving timely advice and suggestions to the board so that they are better managed. This will strengthen the societies in carrying out their objectives in a much better way and get more access and visibility to State government which is always committed to take societies to new level through their inclusive policies.

Source:

Karntaka Cooperative Societies Act, 1959
Karnataka Cooperative Societies (Amendment) Rules, 2015

INTERNATIONAL NEWS ON COOPERATIVE SECTOR

More Singaporean Cooperatives adopt the Tripartite Standards

Twelve Cooperatives from Singapore have so far adopted one or more Tripartite Standards, a set of recommended practices to build a better work environment for employees.

Each standard developed by the government with unions and employers – includes a set of verifiable, actionable employment practices. Developed by the Ministry of Manpower, National Trades Union Congress and the Singapore National Employers Federation under the Tripartite Alliance for Fair and Progressive Employment Practices, the standards aim to promote fairness, inclusivity, agility, sustainability and productivity.

The 10 standards include measures to advance the wellbeing of employees on low wages, provide flexible work arrangements and unpaid leave for care needs, employ age-friendly workplace practices and ensure a healthy work-life balance. Each standard includes a set of verifiable, actionable employment practices in a specific area of employment which employers can publicly commit to adopt and implement at their workplaces.

“In the past, job seekers were unable to identify progressive employers in the market,” said Elvis Overee, deputy director of Industrial & Services Cooperative Society Limited (ISCOS). The co-op, which supports ex-offenders and their family members, has since adopted eight of these standards, including one for flexible work arrangements, which it adopted in 2021 to help staff better meet their personal responsibilities.

“We wanted to provide staff with greater autonomy over their working schedules and improve job satisfaction. An organisation’s success is dependent on its people,” added Elvis Overee. “By creating a fair and inclusive work environment, we can nurture our human capital”.

“ISCOS’ annual organisation pulse check showed that 96% of our staff recommending ISCOS as a great workplace,” he said, adding that co-ops looking to create flexible work arrangements must be pragmatic as some widely practised flexible work arrangements may be unsuitable. “It is good to consider your operational needs and staff size.”

Local security agency Premier Security Cooperative also adopted the standard on grievance handling. Managing director Max Tan said: “We want to recognise the value and importance of full discussion in clearing up misunderstandings and preserving harmonious relationships.”

Premier Security Cooperative has implemented a grievance handling procedure where employees with grievances may

bring the matter up to their reporting officer within three working days.

“The procedure encourages employees to raise concerns without fear of reprisal, prevents minor disagreements developing into more serious disputes,” said Tan, “and more importantly, helps build an organisation climate based on openness and trust.”

There are incentives for co-ops wishing to adopt the standards. The Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) offers complimentary Tripartite Standards Clinics to help businesses be adoption ready.

Premier Security Cooperative was one of the co-ops to receive the grant, which, it says, it will use for business development and contributions to employees’ annual wage supplement or bonuses.

The other co-ops to have adopted at least one of the standards are:

- Mercatus Cooperative Limited,
- NTUC FairPrice Cooperative Ltd,
- NTUC First Campus Cooperative Ltd,
- NTUC Foodfare Cooperative Ltd,
- NTUC Health Cooperative Ltd,
- NUS Multi-Purpose Cooperative Society Ltd,
- Polwel CoOperative Society Limited,
- Singapore Professionals’ And Executives’ Cooperative Ltd,
- The Singapore Police Cooperative Society Ltd, and
- Wavelink Cooperative Ltd.

The Singapore National Cooperative Federation (SNCF) was also recently awarded the Tripartite Standard for Recruitment Practices. The apex says it will work towards achieving other standards this year.

“Today, our Cooperatives already put in place good workplaces practices for their workers,” said Ang Hin Kee, SNCF’s chief executive. “Under this new support scheme, we are confident that the co-ops can design their workplace practices to be aligned with best practices.”

Source: Global Newsletter - <https://www.thenews.coop/global/>

BCCM chief gives evidence to Australian Senate on value of Cooperative sector

Melina Morrison, CEO of Australia's Business Council of Cooperatives and Mutuals (BCCM), has urged policymakers to ensure forthcoming business legislation puts co-ops on an equal footing when it comes to investment.

Morrison had been invited to give evidence to the Senate Standing Committee on Economics, in response to the National Reconstruction Fund (NRF) Corporation Bill 2022. Melina Morrison wants legislation on the National Reconstruction Fund to put co-ops on equal footing when it comes to investment.

The NRF is a \$15bn programme which will provide loans, guarantees and equity, in the hope of supporting projects that create secure well-paid jobs, drive regional development, and invest in national sovereign capability, broadening and diversifying Australia's economy.

It is the first stage in a bid by the national government to rebuild the country's industrial base after a spate of natural disasters at home and global disruptions, including the Covid-19 pandemic.

The bill covers a number of sectors where BCCM's 100 member organisations are active, including agriculture and fisheries, advanced manufacturing and circular economy, renewable energy, transport and mobility, defence, critical minerals and medical science.

BCCM says the NRF represents an important opportunity to boost Australian manufacturing and supply chain resilience across these sectors and to move to a serious partnership model between purpose-led businesses, government and Australian workers.

Co-ops and mutual deliver value to the economy in a number of ways, said Morrison, who argued that they:

- ❖ are long-term investors in domestic manufacturing because their members are local
- ❖ increase the resilience of Australia's SMEs in a range of industries by helping them reduce input costs, access markets and share in profits from value-adding activities such as manufacturing
- ❖ are domestically owned and pay taxes domestically
- ❖ earn vital export income for Australia

- ❖ generate quality employment across regional and metropolitan Australia
- ❖ enhance the function of markets by being the consumer and small business focused challengers

"Public investment in Cooperatives and mutuals will support these outcomes," she told the committee, "and will also act to accelerate the maturation of markets for member, community and private investment in Cooperatives and mutuals, addressing historical constraints on the growth of co-ops and mutuals.

"The BCCM welcomed the government's election commitment to ensure the NRF will be able to invest in co-ops and mutuals, including through Cooperative capital units and mutual capital instruments. Our submission is focused on providing feedback on how the Bill can be designed to be enable the NRF to achieve this."

Morrison stressed the importance of one of the BCCM recommendations, "which is that the equity interest definition in the bill is amended to expressly allow for investment in Cooperative capital units.

"We think this amendment would ensure Cooperatives will be on an equal footing in relation to the National Reconstruction Fund."

Source: Global Newsletter - <https://www.thenews.coop/global/>

Circular economy strategies and business models resonate with Cooperatives in Quebec

Co-ops can help embed circular economy practices in a strongly sustainable manner, says a study from HEC Montreal



The report, Circular Economy and Cooperatives – An Exploratory Survey, draws on an exploratory database of 165 Cooperatives, 48 of which responded to a survey carried out by the team from HEC Montreal.

The researchers aimed to find out which strategies and business models Cooperatives pursue; how they view their advancement in relation to these strategies and business models; how strategies and business models are related to types of Cooperatives and sectors; and what Cooperatives need to advance circularity.

The analysis of the responses suggests that the circularity strategies and business models resonate with Cooperatives across strategies and business models. Forty-nine per cent of respondents indicated more than one circular economy business model fitting their approach. These include Eco designers who develop, produce, and sell products made from recuperated materials; mutualisers who coordinate the sharing of tools and products with a view to increasing their use within a community; second-hand shops; logisticians that offer waste management; repairers who offer their services to extend the life of a product; recoverers, who offer a service in the collection, sorting, and preparation of ‘waste’ materials so that they become reusable again; transformers who offer industrial services by creating new products out of waste; craft hubs which offer citizens access to tools and training for repairing and making products in a workshop; and reduction at the source businesses, who offer a service based on the

elimination of non-essential and harmful materials and in the value chain.

Fifty-five percent (n = 26) of respondents identify with the mutualiser model as their primary business model, followed by 8% for reduction at the source and logisticians, respectively, and 6% for consultants in circular economy. Another 8% of respondents identify with the reduction at the source models and logisticians models. Examples of reduction at the source businesses surveyed include a consumer Cooperative and a solidarity Cooperative focused on bio products and the sale of products in bulk, a producer Cooperative offering bike-powered delivery services, and a worker Cooperative farm offering certified bio products. Logisticians include solidarity Cooperatives, three of them organising the availability of locally and ecologically produced agricultural products as well as one Cooperative focused on waste reduction (helping restaurants and their clients to avoid plastic waste when ordering food).

Other examples provided in the study include the solidarity Cooperative Centrale Agricole, which brings together urban agricultural producers (including several Cooperatives) to share material and immaterial resources on its site in Montréal. The research found that the Cooperative “actively fosters circular synergies between its members”. For example, the ‘waste’ of a coffee roaster on its premises provides an input for the mushroom cultivation of another organisation on its site.

Source: Global Newsletter - <https://www.thenews.coop/global/>

SNAPSHOTS



CMA Vijender Sharma, President of the Institute along with CMA B.B. Goyal, Former Addl Chief Advisor (Cost), MoF, GoI extending greetings to Shri Gyanesh Kumar, IAS, Secretary to the Government of India, Ministry of Cooperation on 6th December, 2022.



CMA Chittaranjan Chattopadhyay, Chairman Cooperative Development Board of ICAI with Dr. Aboobacker Siddique P, Secretary, Mines and Cooperative Sector at Jharkhand, while submission of the representation of ICAI to him.

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