

NEWS > NATIONAL

NATIONAL

Growing apprehensions over Cooperation Ministry

Nistula Hebbar**Sandeep Phukan**

NEW DELHI, JULY 09, 2021 16:49 IST

UPDATED: JULY 09, 2021 17:43 IST

Opposition says move is to 'hijack cooperative movement' that currently falls under State govts

A row is about to erupt between the Treasury and Opposition benches in the [Monsoon Session of Parliament that is set to start on July 19](#) over the [Ministry of Cooperation](#) formation, which was announced on July 5. The portfolio has been given to Home Minister Amit Shah after the Wednesday last Cabinet expansion.

The government said the Ministry “will provide a separate administrative, legal and policy framework for strengthening the cooperative movement in the country” and do much to streamline the processes for “ease of doing business” and enable development of Multi-State Co-operative Banks” (MSCBs). Significantly, the [MSCBs have now been solely taken under the Reserve Bank of India](#) for regulatory purposes.

Opposition leaders, however, said the move was to “hijack the cooperative movement” that currently falls under the State governments.

Senior Congress leader Ramesh Chennithala, who was the former Leader of the Opposition in the Kerala Assembly – a State with a strong cooperative movement – told *The Hindu* that “the move is planned to hijack the cooperative movement”.

“They [the BJP] want total control of the cooperative movement across the country and that’s why they have made Amit Shah in charge of the Ministry. Cooperatives is a State subject under



entry 32 of the State list under the Schedule 7 of the Constitution. How can they create a ministry without an Act of Parliament, “ Mr. Chennithala, a sitting lawmaker from Kerala, said.

The cooperative model has been a source of political power in States such as Maharashtra, Kerala, Gujarat, parts of Karnataka, Tamil Nadu, Madhya Pradesh and West Bengal.

Opposition-controlled coops.

And many of these cash rich cooperatives are controlled by Opposition parties such as the Nationalist Congress Party, CPI(M) and the Congress in some of these States.

“The government is yet to explain the purpose and objective of this Ministry. And the appointment of Mr. Shah raises several questions, as it encroaches on a State’s power. Our party will raise this in Parliament,” CPI general secretary D. Raja said.

On Thursday, CPI(M) general secretary Sitaram Yechury alleged that the move was taken with an eye on the cash reserves of the cooperative banks.

‘Important part in rural development’

Dhananjay Mahadik, a former member of the Lok Sabha who won on an NCP ticket and currently with the BJP, welcomed the move as an important part in rural development. Mr. Mahadik, who was associated with sugar and milk cooperatives in Maharashtra, said that “whatever development has taken place in rural areas in Maharashtra owes a lot to the rise of cooperatives in the State.”

“There is a limit to what private enterprise can do when it comes to rural development and Prime Minister Modi understands that. Ministry of Cooperation will require an Act of Parliament to be notified, as cooperatives in Maharashtra are under a State Act of 1960, but it will be very beneficial if the cooperative movement spreads across the country,” he stated.

Senior BJP leaders said that a growing grass roots cooperative sector, facilitated by the Central government, would uproot some “political monopolies and old shibboleths”. “And why shouldn’t that be so” asked one general secretary of the BJP.

THE  HINDU

Our code of editorial values

Comments
Comments

Related Articles





Previous Story
Relocated IGNCAs prepare to open their doors to visitors next month

Next Story
'Elephant Cheran injured by mahout's assistant receiving treatment'

-
- 1. Comments will be moderated by The Hindu editorial team.
 - 2. Comments that are abusive, personal, incendiary or irrelevant cannot be published.
 - 3. Please write complete sentences. Do not type comments in all capital letters, or in all lower case letters, or using abbreviated text. (example: u cannot substitute for you, d is not 'the', n is not 'and').
 - 4. We may remove hyperlinks within comments.
 - 5. Please use a genuine email ID and provide your name, to avoid rejection.



TRENDING TODAY [VACCINES](#) [CORONAVIRUS](#) [JAMMU AND KASHMIR](#)

THE HINDU

TRENDING TODAY

'We did not go into Afghanistan to nation-build,' says Biden as he defends U.S. military withdrawal

Santosh Gangwar oversaw mass transfers in EPFO hours before stepping down

'Fast and Furious 9' to hit Indian screens on August 5

Explainer | What's happening in Haiti where the President was assassinated?

New Railway Minister Ashwini Vaishnaw has a vast experience in bureaucracy and corporate world

Cairn claims order to attach 20 India properties in Paris

Former Himachal Pradesh Chief Minister Virbhadra Singh passes away

'Saddened' by Father Stan Swamy's death: U.S.

List of Ministers and their portfolios in Narendra Modi's cabinet

Darkness at noon, felled by the judiciary

TRENDING TOPIC

- [Coronavirus](#)
- [The Hindu MetroPlus](#)
- [Prime Minister Narendra Modi](#)

Trending on our group sites

[Businessline](#)

- [stock market](#)
- [shareholders](#)
- [Fruits and vegetables \(commodity\)](#)

[Sportstar](#)

- [Euro 2020](#)
- [England](#)
- [TNPL](#)
- [Copa America](#)

[About Us](#) | [Terms of Use](#) | [Privacy Policy](#) | [Contacts](#) | [Archive](#) | [Print Subscription](#) | [ePaper](#) |

[Digital Subscription](#) | [RSS Feeds](#) | [Sitemap](#) |

