

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1604
TO BE ANSWERED ON 21/12/2022

Constitutional Provisions for Co-operatives

1604# Smt. Geeta alias Chandraprabha:

Will the Minister of **Cooperation** be pleased to state:

- (a) the details of the provisions existing in Constitution of India to strengthen the Co-operative Societies;
- (b) the details of the laws made by Government to protect the interests of these Societies; and
- (c) whether both the Central and State Governments could formulate rules on the subjects pertaining to Co-operative Societies, the details thereof?

ANSWER

MINISTER OF COOPERATION (SHRI AMIT SHAH)

(a): The Ninety-Seventh (97th) Constitution (Amendment) Act, 2011 granted constitutional status to the Cooperative Societies and made the following provisions, namely:

- (i) Right to form cooperative societies was included as a Fundamental Right by insertion of the words “cooperative societies” in Article 19(1)(c) in Part III of the Constitution.
- (ii) Article 43B was inserted in Part IV of the Constitution as Directive Principle of State Policy for promotion of cooperative societies.
- (iii) Part IX B ‘The Cooperative Societies’ was inserted with provisions for incorporation, regulation and winding up of co-operative societies.

(b) & (c): Cooperative societies with objects confined to a single State fall under entry 32 of list II (State list) of seventh schedule of the Constitution for which states are competent to legislate. Accordingly, such societies are governed by respective State Cooperative Acts. Cooperative Societies with objects not confined to one State fall under entry 44 of list I (Union list) for which the Parliament is empowered to make laws and accordingly Parliament has enacted Multi-State Cooperative Societies Act, 2002.
