

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.1923**  
TO BE ANSWERED ON 03/08/2022

**Reforms in PACS**

**1923. Shri Ayodhya Rami Reddy Alla:**

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

- (a) the status of amendments proposed in model bylaws for governing Primary Agricultural Credit Societies (PACS);
- (b) status plans to set up National Cooperative University and pan India legislation to govern the credit societies;
- (c) share of the banks in the disbursement of credit to agriculture and allied activities; and
- (d) the role of cooperative societies as an economic driver towards national development?

**ANSWER**

THE MINISTER OF COOPERATION

सहकारिता मंत्री (SHRI AMIT SHAH)

(a) In order to increase the viability of PACS and diversify their activities making them vibrant economic entities at village level, draft Model Bye-Laws for PACS has been prepared and shared with the States/UTs, Central Government Ministries/Departments, Cooperative Federations, NABARD, State Cooperative Banks and District Cooperative Banks for receiving feedback from them. As on date, suggestions from 28 States/UTs have been received. The comments received from the stakeholders will be taken into account for the finalization of the Model Bye-Laws and approved Bye-Laws will be forwarded to the States for their consideration and recommend their adoption by concerned PACS.

(b) A proposal to set up a National Level University dedicated for the Cooperative sector is under consideration and the consultation process has been initiated with various stakeholders, such as State Governments, National/ State Level Federations, sectoral and academic institutions.

The cooperative societies including Credit Cooperative Societies functioning only in one particular State/ UT are governed by the laws of the respective State/ UT Government. The cooperative societies including Credit Cooperative Societies functioning in more than one state are governed by the central law, namely, 'the Multi-State Co-operative Societies Act, 2002 (39 of 2002)'.

(c) As per the Statistical data in Economic Survey of India 2021-22, share of the credit to agriculture and allied activities as a percentage of total disbursements by Banks is as below:

S.No.	Financial Year	Share of Agriculture and allied activities in disbursal of credit by the banks
1	2019-20	12.62 %
2	2020-21	13.16 %
3	2021-22	13.68 %

(d) The Cooperative Sector plays a key role in the overall economic development of the country. There are around 8.5 lakhs cooperative units in India with nearly 29 crore members. This sector has the required capability to ensure equitable and concerted efforts towards enhancing the flow of timely, adequate and door-step credit supports, input services, irrigation, marketing, processing, fisheries, horticulture, dairy, textiles, consumer, housing, health etc.

Cooperatives are also universally accepted as an essential social and economic policy instrument and have inherent advantages in tackling the problems of poverty alleviation, food security, employment generation etc. leading to more equitable development of the Nation.

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