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Prabhudatta Mishra
1

Co-op Min writes up new bylaws for uniform adoption by agri credit societies

Prabhudatta Mishra
New Delhi

In a bid to influence the 65 crore rural population through Primary Agricultural Credit Societies (PACS), which have a member base of about 13 crore, the Ministry of Co-operation has asked States to circulate its new model bylaws.

While all States have, in principle, agreed to adopt the model bylaws, work is on to ensure new PACS with the new bylaws are in place by March, while existing institutions will make changes in phases.

While the current bylaws limit the operation of PACS to one area, the model bylaws allow them to perform multifarious activities to improve their financial health.

Of the about 95,000 PACS in the country, nearly 63,000 are active and engaged in different areas.

The Centre is also targeting raising the number of PACS to 3 lakh in two years.

MARKETING ROLE

The primary objective of the move is to shift agriculture marketing activities from *mandis* (markets) to PACS. However, States have been



TO IMPROVE FINANCIAL HEALTH. The new bylaws will allow PACS to perform multifarious activities without confining them to one area, as now.

given the flexibility to modify the model bylaws.

MSP OPERATIONS

Apart from existing short-, medium- and long-term credit disbursal, the model bylaws will enable PACS to diversify their activities under 25 broad segments, including seed, fertiliser, and pesticide sales; fisheries, dairy, and poultry; farm machinery and implements; custom hiring centres; floriculture, beekeeping, and silk production; procurement of food grains; collection, grading, and cleaning of crops; as well as their packaging, branding, and marketing; storage facility; community centre; hospital;

education; fair price shops; LPG, petrol, and diesel dealership; bank *mitra*/business correspondence; insurance facility; common service centre, and locker facility.

Sources said Co-operation Minister Amit Shah had written to all Chief Ministers to support PACS — by providing Gram Sabha/government land for infrastructure development, fair price shops (FPS) licences, and designating PACS as a procurement agency on behalf of Food Corporation of India to carry out Minimum Support Price (MSP) operations.

More than 13 per cent procurement of wheat and over 20

per cent of paddy for the Central Pool is done by PACS, and designating these institutions will increase their share, officials said. In a January 5 letter, the Co-operation Ministry told the States: "It is requested to circulate model bylaws to all the PACS, large area multipurpose societies, farmer service societies, and other similar societies, with suitable modifications as per the relevant State Co-operative Societies Act and Rules for their adoption by the societies concerned."

ODISHA OFF THE BLOCK

The Odisha government has already initiated steps and new PACS under the Central scheme are expected to begin functioning by March adopting the new model bylaws, sources said.

Kerala officials said they are yet to receive the final copy of the model bylaws and would comment after going through them. Gujarat is likely to circulate it in 7-10 days and also write to the PACS to adopt it, a State official said. This will go a long way towards achieving the vision of "Sahakar-se-Samriddhi" and "Atmanirbhar Bharat" by strengthening the PACS at ground level, said a Ministry official.
