

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 3686**  
TO BE ANSWERED ON 05/04/2023

**Schemes for development of PACS**

**3686# Smt. Geeta alias Chandraprabha:**

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

- (a) schemes being run by Government for development of Primary Agricultural Credit Societies (PACS) in the Country;
- (b) whether a plan has been chalked out for formation of Primary Agricultural Credit Society in every village of the country;
- (c) the number of villages in which the Committees have been formed so far; and
- (d) whether it has been contemplated to provide services through these committees as provided by Common Service Centres in rural areas, if so, the details thereof?

**ANSWER**

MINISTER OF COOPERATION

सहकारिता मंत्री (SHRI AMIT SHAH)

(a) to (d): There are nearly 1 lakh Primary Agricultural Credit Societies (PACS)/ Large Area Multipurpose Societies (LAMPS)/ Farmers Service Societies (FSS) in the Country with around 13 crore farmers as members. Since its inception, the Ministry has taken various initiatives which have direct and/ or indirect impact on strengthening and development of PACS such as:

1. Computerization of PACS: The Centrally sponsored project for Computerization of PACS, approved by the Cabinet Committee on Economic Affairs on 29.06.2022, with a total budgetary outlay of Rs. 2,516 crores, is under implementation. It will bring 63,000 functional PACS onto an ERP (Enterprise Resource Planning) based common national software being developed by NABARD. The Project will provide benefits such as increasing the efficiency of their operations, ensuring speedy disbursal of loans, lowering of transaction costs, reducing imbalances in payments, seamless accounting with DCCBs and StCBs and increasing transparency. It will also enhance trustworthiness in the working of PACS among farmers. Implementation of Common Accounting System (CAS) and Management Information System (MIS) would enable PACS to carry out their operations online and obtain refinance/ loans for their various activities from NABARD through DCCBs and StCBs.
2. Model Bye-laws for PACS: The Model Bye-laws for PACS, prepared in consultation with States/UTs and other stakeholders concerned, have been circulated to all the States/UTs

on 05.01.2023 for their adoption by PACS subject to respective State Cooperative Laws. These Bye-laws would enable PACS to carry out more than 25 business activities such as dairy, fisheries, food grain storage, LPG/CNG/Petrol/Diesel distributorship, Fair Price Shops (FPS), custom hiring centre, etc.

3. PACS as Common Service Centres (CSC): A Memorandum of Understanding has been 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. The MoU would enable PACS to provide more than 300 e-services enlisted on digital seva portal of CSC Scheme to common citizens in rural areas, including banking, insurance, Aadhar enrolment/updation, health services, legal services, PAN card and IRCTC/ Bus/ Air ticket related services, etc. This initiative would not only ensure effective service delivery to common citizens, especially in rural areas, but would also aid in improving business activity for PACS, thus providing alternative revenue stream to them, and making them economically sustainable entities.
4. National Cooperative Database: A national cooperative database has been prepared by Ministry of Cooperation where country-wide mapping of primary cooperatives, including PACS at Panchayat and village level, has been done capturing details of more than 1 lakh PACS/ LAMPS/ FSS.
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 Country, in the next five years, by converging various schemes of the Government.
6. National Cooperative Policy: A National level committee comprising 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. National Cooperative Development Corporation: New schemes for cooperatives launched by NCDC in various sectors such as 'Swayam shakti 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.
8. 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.
9. 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.
10. Reduction in surcharge on cooperative societies: Surcharge reduced from 12 % to 7% for co-operative societies having income between Rs. 1 to 10 Cr.

11. Reduction in Minimum Alternate Tax: MAT reduced for cooperatives from 18.5% to 15%.
12. 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.
13. 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.
14. 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 lakh per member for deposits and loans in cash by PACS and PCARDBs.
15. 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.
16. New National Multi-State Cooperative Seed Society: New apex national multi-state cooperative seed society being established under the MSCS Act, 2002 as umbrella organization for quality seed cultivation, production and distribution under a single brand.
17. New National Multi-State Cooperative Organic Society: New apex national multi-state cooperative organic society being established under the MSCS Act, 2002 as umbrella organization to produce, distribute and market certified and authentic organic products.
18. New National Multi-State Cooperative Export Society: New apex national multi-state cooperative export society being established under the MSCS Act, 2002 as umbrella organization to give thrust to exports from cooperative sector.

In addition to the initiatives taken by the Ministry of Cooperation, other Ministries/ Departments are also running several schemes for providing benefits to the cooperatives including PACS, such as: -

1. **Agricultural Infrastructure Fund (AIF)** is a Central Sector Scheme being implemented by Ministry of Agriculture & Farmers Welfare, envisages creation of post-harvest management infrastructure and community farming assets through incentives and financial support in order to improve agriculture infrastructure in the country.
2. **Agricultural Marketing Infrastructure (AMI)** is a Central Sector Scheme being implemented by Ministry of Agriculture & Farmers Welfare for holistic development of agricultural value chain. AMI lays special focus on developing and upgrading Gramin Haats as GrAMs through strengthening of infrastructure.
3. **Sub-Mission on Agricultural Mechanization (SMAM)** is a Centrally Sponsored Scheme being implemented by Ministry of Agriculture & Farmers Welfare, envisages setting up of custom hiring centers and hubs for hi-tech and high value farm equipment with an aim to increase farm mechanization.

4. **Mission for Integrated Development of Horticulture (MIDH)** is a Centrally Sponsored Scheme being implemented by Ministry of Agriculture & Farmers Welfare for holistic growth of horticulture sector. Various activities, like setting up of post-harvest infrastructure including cold storage, cooling chambers and marketing infrastructure are included under MIDH.
5. **PM Formalization of Micro Food Processing Enterprises Scheme (PMFME)** is a Centrally Sponsored Scheme being implemented by Ministry of Food Processing Industries which aims to create an organized supply chain for micro food processing units. It envisages shifting of 2 lakh enterprises into the formal framework.
6. **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)** is a Central Sector Scheme being implemented by Ministry of Food Processing Industries which aims to create modern infrastructure with efficient supply chain management from farm gate to retail outlet. It comprises several sub-schemes viz. creation of food processing and preservation capacities, operation greens, integrated cold chain and value addition Infrastructure, etc.
7. **National Programme for Dairy Development (NPDD)** a Central Sector Scheme being implemented by Department of Animal Husbandry and Dairying, aims to enhance quality of milk and milk products and increase share of organized procurement, processing, value addition and marketing.
8. **Dairy Processing and Infrastructure Development Fund (DIDF)** a Central Sector Scheme being implemented by Department of Animal Husbandry and Dairying, aims to modernize and create milk processing infrastructure, including manufacturing facilities for value added products, milk chilling infrastructure, setting up electronic milk testing equipment, etc.
9. **Pradhan Mantri Matsya Sampada Yojana (PMMSY)** is a Centrally Sponsored umbrella scheme with a Central Sector Scheme component as well, being implemented by Department of Fisheries. It is designed to address critical gaps in fish production and productivity, quality, technology, post-harvest infrastructure and management, modernization and strengthening of value chain, etc.
10. **Fisheries and Aquaculture Infrastructure Development Fund (FIDF)** is a Central Sector Scheme being implemented by Department of Fisheries, with an aim to create fisheries infrastructure facilities, both in marine and inland fisheries sectors and augment fish production in the country.
11. **Tribal Co-Operative Marketing Development Federation of India Limited (TRIFED)** spearheads implementation of Van Dhan programme for collection and selling of Minor Forest Produce (MFP) in Districts which have predominantly forest dwelling tribal population. It envisages setting up of tribal community-owned Van Dhan Vikas Kendra Clusters (VDVKCs) in the Tribal Districts.

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