

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 173
ANSWERED ON 24/07/2024

Model bye-laws for PACS

173 # SHRI BABURAM NISHAD:

Will the Minister of COOPERATION be pleased to state:

- (a) whether there is a provision for setting up of custom hiring centres in the model bye-laws of PACS framed by the Government;
- (b) if so, the manner in which it will benefit the PACS; and
- (c) the manner in which it will increase the income of farmers?

ANSWER

MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (c): In order to transform Primary Agricultural Credit Societies (PACS) into vibrant economic entities at Panchayat/ village level and to diversify their business activities, Model bye-laws have been framed by Ministry in consultation with all the States/Union Territories, Central Government Ministries, NABARD, National Level Federations, State Cooperative Banks, District Central Cooperative Banks, etc. Model bye-laws were circulated to all the States/ UTs on 5th January, 2023 for their adoption by PACS after making suitable changes as per respective State Cooperative Acts.

Model bye-laws enables PACS to undertake more than 25 business activities, including custom hiring center, dairy, fishery, setting up godowns, procurement of foodgrains, fertilizers, seeds, LPG/CNG/Petrol/Diesel distributorship, short-term & long-term credit, custom hiring centers, Fair Price Shops (FPS), community irrigation, Business Correspondent activities, Common Service Centre, etc.

By adoption of Model bye-laws Multipurpose PACS are now able to provide custom hiring services such as farm machinery, tractors, tillers, etc. These Custom Hiring Centers at Multipurpose PACS provide modern agricultural equipment to the farmer members and thereby increasing their agricultural produce and income.

By adopting Model bye-laws, PACS are now able to serve as Multi-Service Centers & improve their operational efficiency, transparency and accountability and provide short-term & long-term credit and various non-credit services, etc. to crores of farmer members in rural areas. It also enables PACS in diversification of economic activities and to generate additional & sustainable sources of income for farmers.
