

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 2563
TO BE ANSWERED ON 18th DECEMBER, 2024

Model bye-laws for Primary Agricultural Credit Societies

2563 # Shri Baburam Nishad:

Will the Minister of COOPERATION be pleased to state:

- (a) whether the Model Bye-laws framed by the Ministry enable PACSs to function as LPG/Petrol/Diesel Dealership/LPG Distributorship;
- (b) if so, the benefits that would be available to the farmers associated with PACSs; and
- (c) the manner in which it would help in increasing the income of PACSs?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (c): Yes Sir, 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 apply for LPG Distributorships under Open (CC) category against advertisements issued by Oil Marketing Companies (OMCs). By adopting these initiatives, 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.
