

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 2883
TO BE ANSWERED ON 26th MARCH, 2025

Functioning of PACS

2883. Shri G.C. Chandrashekhar:

Will the Minister of COOPERATION be pleased to state:

- (a) whether it is a fact that Government has formulated an action plan to set up multi-purpose Primary Agricultural Credit Societies (PACS), dairy, and fishery cooperative societies in uncovered panchayats/villages to strengthen rural cooperatives;
- (b) whether this initiative will enable PACS to diversify their business activities by engaging in allied sectors like storage, processing, and marketing of agricultural produce;
- (c) whether PACS will expand into business activities such as input supply, dairy processing, fishery operations, and value-added services;
- (d) whether it is a fact that farmers will benefit through better access to credit, markets, and higher returns for their produce; and
- (e) whether PACS will raise income by offering diversified services and promoting value addition?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a): Yes, Sir. The Government has approved a Plan for strengthening cooperative movement in the country and deepening its reach up to the grassroots. The plan entails establishment of 2 lakh multipurpose Primary Agricultural Credit Societies (M-PACS), Dairy, Fishery Cooperative Societies covering all the Panchayats/ villages in the country in five years, through convergence of various existing GOI schemes, including Dairy Infrastructure Development Fund (DIDF), National Programme for Dairy Development (NPDD), PM Matsya Sampada Yojana (PMMSY), etc, with the support of National Bank for Agricultural and Rural Development (NABARD), National Dairy Development Board (NDDB), National Fisheries Development Board (NFDB) and State Governments.

Further, in order to bring all the stakeholders together and standardize the processes involved in this exercise, Ministry of Cooperation in coordination with NABARD, NDDB and NFDB has launched a Standard Operating Procedure (Margdarshika) on 19.9.2024, indicating the targets and timelines for stakeholders concerned. As per Margdarshika, States/ UTs have constituted Joint

Working Committee (JWC)- a sub-committee of District Cooperative Development Committee (DCDC), at the district level so as to ensure timely execution of the plan at the grassroots level.

(b) to (e): In order to diversify the business activities of PACS, the Government has circulated Model Bye-laws for PACS to all the States/ UTs, which enable them to undertake more than 25 economic activities, including dairy, fishery operations, floriculture, setting up godowns, processing, marketing of agricultural produce, custom hiring centers, Common Service Centers (CSCs), Fair Price Shops (FPS), community irrigation, etc. So far, 32 States/ UTs have adopted Model Bye-laws or their existing bye-laws are in line with Model Bye-laws.

The registration of new PACS as multipurpose PACS enables them as well as their farmer members to diversify their business activities, expand their access to markets & credit and generate additional sources of revenue for themselves.
