

Draft bye-laws expand mandate of primary agri co-operatives

Moot creation of FPOs as subsidiary, disbursal of consumer loans

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The Primary Agricultural Co-operative Societies (PACS), popularly referred to as societies or samitis in villages, are set to get transformed with a different name and have a CEO to undertake services or business operations. Infrastructure development, building and managing community centres, hospital or educational institutions, and dealership in petrol or diesel, will all be taken up if States agree to accept the draft bye-laws prepared by the Centre.

The Centre wants to have uniform bye-laws for PACS across the country so that, when the scheme to set up more is rolled out, existing soci-



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eties do not face any financial difficulties with a lower geographical spread from the current level. Co-operation Minister Amit Shah said the government hopes to increase the number of PACS to 3 lakh from the current 63,000 (active societies) in two years.

As per the draft bye-laws shared with the States on July 1 for feedback, the new name is Bahu-Uddeshiye Prathmik Gramin Cooperative Samiti. It says: "The Chief Executive Officer, by whatever name he may be called, shall be appointed by

the Board of Directors to look after the day-to-day affairs and administration of the Society as per the Act, Rules, and Bye-law."

Currently, all these have secretaries as administrative heads, while the Board of Governors is elected representatives of members.

Ratifying through resolution

The Centre has proposed that the PACS may, by a resolution passed at the General Body Meeting by a majority of members present and voting, promote subsidiary organisations, such as farmer producers organisation (FPO) with 100 per cent funding from the society for the furtherance of its stated objectives.

The draft also says the objective of these societies should be to offer credit to their members "for consumption or medical purposes against collateral/pledge financing like commodities/bonds/securities."

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