

Model by-laws for primary agri co-ops 'almost ready'

PRABHUDATTA MISHRA

New Delhi, June 29

The Centre has almost finalised model by-laws for primary agricultural cooperative societies (PACS). This is to make them economically viable by diversifying from their core business, when 2.37 lakh societies are created in the next two years, which could impact the business of each of the current 63,000 units.

Success rate

However, the success of such a scheme will depend on States' adoption, since cooperative is a State subject.

"The draft 'model PACS by-laws' will be ready in a month, and we will seek comments from the States. The model by-laws will be advisory in nature," said a top Cooperation Ministry official on Wednesday. Asked if such model laws will see the same fate as that of model APMC Act, he



said APMC is a different matter, whereas PACS will see benefits in adopting the by-laws.

In 2017, the Centre had drafted and shared 'The State/UT Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act 2017, and among the major States, only Gujarat has adopted it so far.

Though Uttarakhand had adopted it earlier, after the farm laws (now repealed), the States had abolished the APMC law. Karnataka has modified its APMC law by incorporating some provisions from model law. The Centre has already an-

nounced plan to create 3 lakh PACS, and is hopeful to achieve the target in next two years. PACS account for 41 per cent (3.01 crore farmers) of the KCC loans given by all entities in the country, and 95 per cent of these are kisan credit card (KCC) loans (2.95 crore farmers) through PACS and are availed by only small and marginal farmers.

With such increase in their number, PACS may also see reduced business and, sensing that probability, the Centre has created the by-laws that will allow these societies to offer 20-odd services – Bank Mitras and common service centres (CSCs), cold storage, warehouse, fair price shop (under PDS), dairy, fishery, irrigation, and biogas, among others.

Unless there is economic viability, why would people show interest to set up a new society, the Ministry official asked.

NEWS PAPER NAME:- BUSINESS LINE

NEWS PUBLISHED DATE:- 30-06-2022

PAGE NO:- 05