

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 961
ANSWERED ON 31/07/2024

Bhartiya Beej Sahkari Samiti Limited (BBSSL)

961. DR. ANIL SUKHDEORAO BONDE:

SHRI MITHLESH KUMAR:

SHRI BRIJ LAL:

SHRI NARAYANA KORAGAPPA:

SHRI KRISHAN LAL PANWAR:

SHRI SANT BALBIR SINGH:

Will the Minister of COOPERATION be pleased to state:

- (a) the aims and objectives of Government behind the establishment of BBSSL;
- (b) the manner in which BBSSL will help in boosting the rural economy of the country as well as in making the country self-reliant in seed production; and
- (c) the details of how the profits of BBSSL are proposed to be utilised?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a): Ministry of Cooperation has set up Bhartiya Beej Sahkari Samiti Limited (BBSSL) under the Multi-State Cooperative Societies (MSCS) Act, 2002. The BBSSL is promoted by IFFCO, KRIBHCO, NAFED, National Dairy Development Board (NDDB) and NCDC. The initial paid up capital of BBSSL is Rs. 250 Cr with contribution of Rs. 50 Cr each by the five promoters and authorized share capital is Rs. 500 Cr. The BBSSL will undertake production, procurement & distribution of quality seeds under single brand through network of cooperatives to improve crop yield and develop a system for preservation and promotion of indigenous natural seeds. BBSSL will help in increasing the seed replacement rate, and varietal replacement rate by ensuring the role of farmers in production of certified seeds. This society will focus on production, testing, certification, procurement, processing, storage, branding, labelling and packaging of two generations of seeds i.e. foundation and certified (breeder seeds will be sourced from Public Sector Research Organizations and International Research Institutes i.e., ICRISAT, IRRI, CIMMYT etc.) through Primary Agricultural Credit Societies (PACS) by leveraging various schemes and policies of different ministries of Government of India in a focused manner through 'Whole of the Government Approach'.

(b): BBSSL will help in increasing the production of quality seeds in India through cooperatives thereby reducing the dependence on imported seeds, enhancing agriculture production, providing boost to rural economy, promoting “Make in India” and leading to Atmanirbhar Bharat.

(c): The provisions for the disposal of net profits have been outlined in clause 55 of the byelaws of BBSSL as under: -

1. Subject to the provisions of the Act and Rules framed there under, the General Body on the recommendations of the Board of Directors may appropriate the net profit in the following manner, namely
 - i. Transfer at least 25% of net profit to the reserve fund.
 - ii. Credit one percent of its net profit to the co-operative education fund
 - iii. An amount of at least 10% of the net profit shall be transferred to a reserve fund specially created for meeting unforeseen losses
2. After making appropriation of net profit under preceding sub-clause, the General Body on the recommendations of the Board may appropriate the balance of the net profit for all or any of the following purposes:
 - a. shall aim to pay dividend to members on their paid-up share capital up to 20 percent:
Provided that if owing to shortfall in the undistributed net profit in a year, the dividend could not be paid at the specified rate, the General Body may decide a lesser rate on which the dividend shall be paid to members
 - b. Contribution to the education fund, which shall be utilized for the education and training of members, directors and employees on regular basis, as approved by the Board of Directors;
 - c. Donations for any purpose connected with the development of co-operative movement or charitable purpose as defined in section 2 of the Charitable Endowments Act, in force;
 - d. Payment of ex-gratia amount to employee of the society;
 - e. Creation of any other fund;
 - f. The undistributed profit, if any, shall be added to the Reserve Fund of the Society.

Notwithstanding anything contained in clause 54 and 55 (1) & (2) with regard to the payment of net surplus on the sale proceeds of products sourced from a member or payment of dividend on the paid up share capital of members, the Board or the General Body, as the case may be, shall maintain to strike a balance in the payments of net surplus to settle the final price of the product and dividend to be paid to members in a transparent and prudent manner to ensure equitable distribution of net surplus and dividend.
