No L-12011/1/2012-I&F
Government of India
Ministry of Agriculture
Department of Agriculture and Cooperation

Krishi Bhawan, New Delhi
Dated the 23rd March, 2012

To,
The Principal Secretaries/Secretaries (Cooperation),
All States/UTs.

Subject: Extension of Concessional/Benefits to Producer Company at par with Cooperatives by the States/UTs—regarding.

Sir,

As you are aware, a 'producer company' is a business enterprise registered under the provisions of Part IX A of the Companies Act, and established on the principle of mutual assistance (listed in Section 581G(2) of the said Act), which are similar to "Cooperative Principle". Producer Company, under the Companies Act can be registered by producers or producer institutions engaged in any activity related to agriculture and allied sector and handloom, handicraft and other cottage industries. Producer Companies combine the institutional strengths of Cooperative principles with the flexibility, autonomy and transparency of company and a cooperative society. It combines all the virtues of a cooperative enterprise coupled with the vibrancy and efficiency of a company.

2. In view of the above, the States/UTs may consider to extend the concessions/benefits to Producer Companies formed by farmers at par with cooperative Societies.

Yours faithfully,

(R.K. Singh)
Director
T.No.23384309

Copy to: All Divisional Heads in DOAC with the request that producer Companies may be considered at par with cooperative Societies while revising the ongoing schemes for the 12th Five Year Plan.