

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1125
TO BE ANSWERED ON 10th December, 2025

Administrative issues in cooperative societies in Tamil Nadu

1125 Shri S.R. Sivalingam:

Will the Minister of COOPERATION be pleased to state:

(a) whether Government is aware that cooperative societies in Tamil Nadu continue to struggle with delayed audits, outdated administrative procedures, weak digital systems and inconsistent fund-flow patterns affecting daily operations;

(b) if so, the details regarding long-pending audits, shortage of trained managerial staff, gaps in financial reporting, low digital adoption rates and complaints relating to governance inefficiencies received from the State; and

(c) the steps Government proposes to adopt to professionalise management, strengthen digital operations and enforce timely audit compliance in the State?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (c): In Tamil Nadu, out of 4532 PACS sanctioned under Computerisation of Primary Agriculture Credit Societies (PACS) Project, Audit has been completed up to the financial year 2024-25 in 3335 PACS. In 242 PACS audit is long pending. As per information received from Tamil Nadu as on 02.12.2025, the details of financial position is presented as under:-

Total No. of district	Total No. of PACS	No. of PACS functioning in Net Profit	No. of PACS functioning in Current year Profit / Cumulative Loss	No. of PACS functioning in Current year Loss / Cumulative Loss
38	4453	1897	1411	906

In order to complete the audit across all institutions, a weekly review is being conducted by the Additional Registrar (Finance and Banking). In this regard, several measures have been taken by the State Govt. which are as under: -

- i. Online training has been provided to PACS Auditors through NABARD.
- ii. Integration of Comprehensive Audit Management System (CAMS) Software with the Enterprise Resource Planning (ERP) system is currently in progress to facilitate On-system Audit. Only 27 PACS have completed On-system Audit on a pilot basis for the year 2023-2024 and 12 PACS during the year 2024-25.
- iii. All the societies under the computerization scheme that perform regular Day-End processes are now ready to undergo On-system Audit.
- iv. As per Registrar of Cooperative Societies instructions, Training for Capacity Building is given to all the Staff of the PACS at District Central Cooperative Banks (DCCBs) labs and Training Institute of State Apex Cooperative Bank in the following subjects: -
- v. Computerisation of PACS: ERP Software & Reports Generation, MIS Dashboards, Member management, Loan Processing, Accounts and Auditing

To professionalise management, strengthen digital operations and enforce timely audit compliance in the State, emphasis has been given to increase training of Auditors, streamline their schedules and strengthen the audit process.
