

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2092**  
ANSWERED ON 11.03.2026

**Cooperative societies and farmers funding**

2092 Shri I.S. Inbadurai:

Will the Minister of Cooperation be pleased to state:

(a) whether Government has reviewed the role of cooperative societies in providing agricultural credit to farmers, if so, the details thereof and outcomes assessed;

(b) whether Primary Agricultural Credit Societies (PACs) are adequately functioning across States to support farmers' financial needs, if so, State-wise details thereof;

(c) whether disparities exist in access to cooperative credit among small and marginal farmers, if so, the reasons therefor and corrective measures undertaken; and

(d) whether the Ministry has undertaken modernization and computerisation of cooperative societies, if so, the progress achieved and timeline for nationwide completion?

**ANSWER**

THE MINISTER OF COOPERATION  
(SHRI AMIT SHAH)

**(a) & (b)** Ministry of Cooperation (MoC) has adopted a multi-layered approach to monitor cooperative societies at the grassroots level for ensuring effective implementation, coordination and accountability in states. For this purpose, committees have been constituted at various levels, from the national level to the district level. These include:

i. Inter-Ministerial Committee (IMC) – Chaired by the Hon'ble Minister of Home Affairs & Cooperation;

ii. National Level Coordination Committee (NLCC) – Chaired by the Secretary, Ministry of Cooperation;

iii. State Cooperative Development Committee (SCDC) – Chaired by the Chief Secretary of the respective State/UT; and

iv. District Cooperative Development Committee (DCDC) – Chaired by the District Collector of the respective district.

In addition, State/ Uts have been facilitated to review the performance using the comprehensive National Cooperative Database (NCD) developed by Ministry of Cooperation, Government of India, with the support of State/UT Governments, through the ranking parameters. The progress is also reviewed during the field visits of the MOS and different Officers of the Ministry.

Further, institutions such as NABARD, NCDC, and other cooperative federations provide technical, financial, and operational support while also monitoring progress related to credit flow, infrastructure development, and project implementation.

As per NCD, as on 20.01.2026, a total of 1,11,503 Primary Agricultural Credit Societies (PACS) in present the country; 1,06,197 are functional; 3,851 are non-functional/dormant; 1,455 are under liquidation and 13,383 Gram Panchayats are yet to be covered by Primary Agricultural Credit Societies. The details are at **Annexure-I**.

(c) Primary Agricultural Credit Societies (PACS) constitute the lowest tier of the three- tier short term cooperative credit (STCC) structure in the country and play a significant role in transforming the agricultural and rural landscape of Indian economy through credit facility by linkage with District Central Cooperative Bank, State Cooperative Bank and NABARD. In this regard, the Government of India has approved the plan to establish new multipurpose PACS/DCS/FCS with the aim to cover gap in the coverage in all panchayats and villages in the country over the next five years. The State/UT-wise number of PACS and the agricultural credit disbursed to farmers during FY 2024-25 is provided in **Annexure-II**.

Cooperative Banks extended ₹1,62,556 crore in loans to Small and Marginal Farmers (SF/MF) in FY 2024-25, accounting for 63% of their total agricultural credit disbursement of ₹2,57,687 crore, underscoring their significant contribution to supporting SF/MF. Additionally, the Government has taken steps to increase the institutional credit flow to under served agricultural segments such as Small and Marginal Farmers by way of:

- i. **Sub-Target under Priority Sector Lending (PSL) Guidelines of RBI for lending to Small and Marginal Farmers:** Under the overall PSL target of 18% applicable for lending to agriculture by commercial banks, a sub target of 10% has been fixed for lending to small and marginal farmers (i.e. at least 56% of total agriculture credit must go to small and marginal farmers).
- ii. **Enhancement in limit of Collateral free agricultural loans:** the limit for collateral free agricultural loans has been raised from ₹1.6 lakh to ₹2 lakh per borrower. Banks have been advised to waive collateral security and margin requirements for agricultural loans upto ₹2 lakh per borrower. This will enhance coverage of small and marginal farmers in the formal credit system.
- iii. **Central Sector Scheme for Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs):** FPOs help in collectivization of small, marginal and landless farmers in order to give them the collective strength to deal with issues including access to formal credit sources. Members of the FPO manage their activities together in the

organization to get better access to technology, input, finance and market for faster enhancement of their income. GoI is implementing a Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” with a budget outlay of ₹6,865 crore till 2027-28. Under this Scheme, a Credit Guarantee Fund for FPOs with a corpus of ₹ 1000 crore with equal contribution from GoI and NABARD has been setup with GoI as the Settlor and NABARD as the Trustee. The Credit Guarantee Scheme for FPO Financing has been operationalised for this purpose.

(d) With the aim to strengthen PACS, a project for the Computerization of functional PACS with a total financial outlay of ₹2925.39 Crore has been approved by the Government of India, which entails bringing all functional PACS in the Country onto a common ERP-based national software, linking them with National Bank for Agriculture and Rural Development (NABARD) through StCBs and DCCBs. A total of 79,630 PACS from 31 States/ UTs have been sanctioned under the project. A total of 61,025 PACS have been onboarded on Enterprise Resource Planning (ERP) Software, and hardware has been procured by 30 States/UTs.

Also, to strengthen the long-term cooperative credit structure, the project of computerization of 1,867 units of Agriculture and Rural Development Banks (ARDBs) spread across 13 States/ Union Territories has been approved by the Government. NABARD is the implementing agency for the project. So far, proposals from 10 States/UTs have been received and sanctioned. Further, GOI share amounting to Rs 10.11 crore has been released to 10 States/UTs in FY 2023-24, FY 24-25, and FY 2025-26 for procurement of hardware, digitization, and setting up of support system.

The State-wise allocation details in both the projects are attached as **Annexure III**.

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## Annexure-I

State	Total PACS	Functional	Non-Functional / Dormant	Under Liquidation	Total PACS Membership
Andaman And Nicobar Islands	47	47	0	0	14930
Andhra Pradesh	2062	2043	16	3	5369439
Arunachal Pradesh	165	162	3	0	19339
Assam	2046	1291	380	375	2323521
Bihar	8500	8500	0	0	13778074
Chandigarh	17	4	10	3	2742
Chhattisgarh	2525	2505	20	0	3500250
Goa	161	137	8	16	259654
Gujarat	11027	10472	303	252	3436851
Haryana	815	815	0	0	2907023
Himachal Pradesh	2307	2214	51	42	1376729
Jammu And Kashmir	809	753	55	1	272107
Jharkhand	4459	4458	1	0	1695244
Karnataka	6326	6170	34	122	7956123
Kerala	1709	1647	29	33	30528321
Ladakh	163	129	34	0	16831
Madhya Pradesh	5207	5184	21	2	5721895
Maharashtra	21196	21152	2	42	12270322
Manipur	356	329	27	0	73335
Meghalaya	817	746	71	0	162015
Mizoram	163	155	7	1	10096
Nagaland	1400	672	728	0	33966
Odisha	4260	4145	114	1	8299498
Puducherry	61	53	8	0	75796
Punjab	3951	3511	30	410	2306206
Rajasthan	9022	9007	4	11	7507272
Sikkim	201	199	2	0	34147
Tamil Nadu	4533	4530	1	2	10645032
Telangana	909	908	0	1	2904180
The Dadra & Nagar Haveli and Daman & Diu	20	18	1	1	11264
Tripura	559	559	0	0	402338
Uttar Pradesh	8662	7830	797	35	10981984
Uttarakhand	1294	1004	289	1	1216692
West Bengal	5754	4848	805	101	4793714
<b>Total</b>	<b>1,11,503</b>	<b>1,06,197</b>	<b>3,851</b>	<b>1,455</b>	<b>14,09,06,930</b>

## Annexure-II

State/UT-wise Agricultural Credit Through Cooperatives during FY 2024-25 (Amount in ₹ crore)			
Sr. No	State/UT	No. of PACS/ LAMPS/FSS	Agricultural Credit Through Cooperatives
1	Andaman And Nicobar Islands	47	8
2	Andhra Pradesh	2,062	21,145
3	Arunachal Pradesh	175	14
4	Assam	2,076	99
5	Bihar	8,500	9,444
6	Chandigarh	17	-
7	Chhattisgarh	2,524	7,950
8	Delhi	-	-
9	Goa	162	35
10	Gujarat	11,053	23,740
11	Haryana	819	12,661
12	Himachal Pradesh	2,314	2,929
13	Jammu And Kashmir	820	6
14	Jharkhand	4,459	10
15	Karnataka	6,338	24,848
16	Kerala	1,709	7,866
17	Ladakh	163	1
18	Lakshadweep	-	-
19	Madhya Pradesh	5,209	21,495.00
20	Maharashtra	21,258	25,187.00
21	Manipur	356	8.00
22	Meghalaya	831	28.00
23	Mizoram	162	19.00
24	Nagaland	1,385	40.00
25	Odisha	4,259	19,372.00
26	Puducherry	61	1.00
27	Punjab	4,023	10,148.00
28	Rajasthan	9,149	23,842.00
29	Sikkim	201	24.00
30	Tamil Nadu	4,533	19,117.00
31	Telangana	909	6,289.00
32	The Dadra and Nagar Haveli and Daman and Diu	19	2.00
33	Tripura	561	424.00
34	Uttar Pradesh	8,804	11,927.00
35	Uttarakhand	1,294	3,183.00
36	West Bengal	5,753	5,823.00
<b>Total</b>		<b>1,12,005</b>	<b>2,57,687.00</b>

**Annexure-III****PACS Computerization**

<b>S. No</b>	<b>State/UTs</b>	<b>Total Sanctioned PACS</b>	<b>ERP Onboarded</b>	<b>ERP Go Live</b>	<b>Day End Completed</b>	<b>Audit Completed</b>	<b>Total amount released in Cr.</b>
1	Maharashtra	12178	12028	12011	12000	11949	130.73
2	Bihar	4495	4478	4475	4471	4364	51.76
3	Gujarat	6216	5705	5575	5458	4724	93.97
4	Andhra Pradesh	2037	2021	2021	2017	2016	37.41
5	Chhattisgarh	2028	2028	2028	2028	1975	28.35
6	Rajasthan	8525	6157	6153	5860	3828	84.83
7	Jharkhand	2797	1479	1491	1461	1378	34.30
8	Punjab	3482	3172	2760	2385	786	32.94
9	Madhya Pradesh	5455	4532	4524	4530	4492	66.43
10	J&K	708	537	537	537	537	10.37
11	Himachal Pradesh	1885	1376	1234	1210	608	28.25
12	Haryana	710	624	580	568	454	8.79
13	Uttar Pradesh	6257	3061	3052	2922	2110	67.10
14	Karnataka	5894	4337	3690	3606	3252	67.83
15	Assam	850	577	576	569	566	17.02
16	Tripura	475	267	247	262	197	8.21
17	Sikkim	131	107	107	107	105	3.28
18	Goa	86	51	46	41	37	1.19
19	Puducherry	45	45	45	45	30	0.67
20	ANI	46	46	46	46	46	0.69
21	Mizoram	99	25	25	25	24	1.27
22	Ladakh	10	10	10	10	10	0.12
23	Nagaland	231	102	67	53	17	4.43
24	DNH & DD	9	4	4	4	4	0.12
25	Arunachal Pradesh	139	13	13	13	13	1.22
26	Uttarakhand	1216	669	668	589	469	5.69
27	Manipur	308	199	195	196	128	3.14
28	Meghalaya	330	11	9	10	4	2.34
29	Tamil Nadu	4561	4509	4508	4509	529	51.73
30	West Bengal	4187	3308	3145	2874	208	45.79
31	Odisha	4240	0	0	0	0	18.07
<b>Grand Total</b>		<b>79630</b>	<b>61478</b>	<b>59842</b>	<b>58406</b>	<b>44860</b>	<b>908.06</b>

**ARDB Computerization**

<b>S.No.</b>	<b>State</b>	<b>Total ARDBs</b>	<b>Total Hardware Target to be Delivered</b>	<b>Hardware Delivered</b>	<b>Total Fund released (Cr.)</b>
1	Gujarat	195	440	440	0.82
2	Haryana	90	203	0	0.76
3	Himachal Pradesh	88	202	202	1.04
4	Rajasthan	163	351	351	1.14
5	Punjab	113	272	0	0.94
6	Karnataka	207	467	467	1.28
7	Tamil Nadu	216	477	471	1.96
8	Puducherry	2	17	4	0.11
9	Tripura	6	15	5	0.04
10	Uttar Pradesh	342	740	0	1.75
11	Jammu & Kashmir	51	115	0	0.3
	<b>Total</b>	<b>1473</b>	<b>3299</b>	<b>1940</b>	<b>10.14</b>

**J &K has opted out of the Project.**