

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 2407
ANSWERED ON 06/08/2024**

Software for Cooperative Banks

2407 SHRI M K RAGHAVAN:

Will the Minister of COOPERATION (सहकारिता मंत्री) be pleased to state:

- (a) whether the Government has rolled out single software for cooperative banks across the country and if so, the details thereof;
- (b) whether the State Government of Kerala has started implementing this single unified software and if so, the details thereof;
- (c) whether the Government has noticed that despite Government of India implementing loans at subsidised rates to farmers through PACS, the State Government of Kerala is charging high interest rates on such loans and if so, the details thereof; and
- (d) whether NABARD can directly disburse the loans to farmers through PACS at subsidised rates and if so, the details of the steps taken in this regard?

ANSWER

**THE MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)**

(a): Yes Sir, National Bank for Agriculture and Rural Development (NABARD), as part of its developmental role, had facilitated the Rural Cooperative Banks (RCBs) to onboard the Core Banking Solution (CBS) in 2011. NABARD has facilitated 2 CBS clouds, i.e. with TCS BANCS (130 Banks) and with Finacle (81 Banks). Currently, NABARD is also facilitating these banks to upgrade their CBS systems.

The Reserve Bank of India (RBI) has, through its circulars dated March 13, 2013, and September 11, 2013, mandated all Urban Cooperative Banks to adopt Core Banking Solutions (CBS) across all their branches. This directive is part of the RBI's initiative to enhance operational efficiency, transparency, and customer service within the UCB sector.

(b): Government of India approved a project for Computerization of functional PACS with a total financial outlay of ₹2,516 Crore, which entails bringing all functional Primary Agriculture Credit Societies (PACS) in the Country onto a common ERP based national software, linking them with NABARD through StCBs and DCCBs.

As of now, sanction has been given for a total of 67,009 PACS from 30 States/ UTs under the project. The hardware has been procured by 28 States/UTs. Total 25,674 PACS have been on boarded on ERP Software and 15,207 PACS have gone live. However Government of Kerala has not sent any proposal for Computerization of PACS, till date.

(c): NABARD has informed that as per information available with them Government Kerala/Rural Credit Co-operatives are not charging high interest rates on such loans for which GoI is providing interest subsidy.

(d): No, as per the mandate, NABARD cannot provide loans to PACS directly. NABARD refinances the loans to Primary Agricultural Credit Societies (PACS) through District Cooperative Central Banks (DCCBs) and State Cooperative Banks (StCBs):
