

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 233
TO BE ANSWERED ON 22nd July, 2025**

Primary Agriculture Cooperative Credit Societies Expansion

- 233. Shri Narayan Tatu Rane:**
Shri Captain Brijesh Chowta:
Shri Vijay Kumar Dubey:
Shri Chandan Chauhan:
Shri Dineshbhai Makwana:
Shri Lumbaram Choudhary:
Dr. Hemant Vishnu Savara:
Shri Kota Srinivasa Poojary:
Shri Bidyut Baran Mahato:
Shri Parbhubhai Nagarbhay Vasava:
Shri Praveen Patel:
Dr. Manna Lal Rawat:
Shri Yogender Chandolia:
Shri Dilip Saikia:
Shri Pradeep Kumar Singh:
Dr. K Sudhakar:
Shri Kripanath Mallah:
Shri Janardan Mishra:
Shri Damodar Agrawal:
Shri Rajkumar Chahar:
Smt. Aparajita Sarangi:
Shri Jagdambika Pal:
Shri Bhartruhari Mahtab:
Shri Madhavaneni Raghunandan Rao:
Smt. Shobhanaben Mahendrasinh Baraiya:
Shri Vishnu Dayal Ram:
Shri Khagen Murmu:
Shri Bibhu Prasad Tarai:

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

- (a) whether the Government proposes to ensure setting up of a Primary Agricultural Credit Society (PACS) in every Panchayat by the year 2029 and is working towards the same, if so, the details thereof;
- (b) the various activities integrated with PACS so far and the manner in which the said integration has enhanced the financial sustainability of PACS and their relevance to rural communities;

- (c) whether the Government proposes to provide any financial or technical support to ensure successful implementation of these initiatives at the ground level and has devised plans thereof specially in State of Maharashtra and Palghar district;
- (d) whether the PACS been integrated with Central schemes like Sahakar Se Samridhi/Digital Cooperatives/National Cooperative Database;
- (e) whether the Government is developing standardized software/ERP system/AI based monitoring mechanism in this direction so that the operation of PACS can be professionalized, if so, the details thereof; and
- (f) whether the Government has any special plan to connect young entrepreneurs/women self-help groups/FPOs in the cooperative sector with PACS and if so, the details thereof?

ANSWER

THE MINISTER OF COOPERATION सहकारिता मंत्री (SHRI AMIT SHAH)

(a): Yes, Sir. The Government on 15.2.2023, approved the Plan for strengthening cooperative movement in the country and deepening its reach up to the grassroots. The Plan entails establishment of 2 lakh new multipurpose PACS (M-PACS), Dairy, Fishery Cooperative Societies covering all the Panchayats/ villages in the country over a period of five years, through convergence of various existing GOI schemes, including Dairy Infrastructure Development Fund (DIDF), National Programme for Dairy Development (NPDD), PM Matsya Sampada Yojana (PMMSY), etc, with the support of National Bank for Agricultural and Rural Development (NABARD), National Dairy Development Board (NDDB), National Fisheries Development Board (NFDB) and State Governments.

(b) to (d): In order to diversify the economic activities of PACS to make them multipurpose economic entities, Model Byelaws have been prepared by the Ministry, enabling PACS to undertake more than 25 business activities, including dairy, fishery, setting up godowns, procurement of foodgrains, fertilizers, seeds, LPG/CNG/Petrol/Diesel distributorship, short-term & long-term credit, custom hiring centers, Fair Price Shops (FPS), community irrigation, Common Service Centre, etc.

In addition to the above, the Government of India has taken several other important initiatives as well, including the following:

- **Strengthening of PACS through Computerization:** In order to strengthen PACS, project for Computerization of functional PACS was approved with a total financial outlay of ₹2,516 Crore which has been increased to ₹2,925.39 crores by the Government of India, which entails bringing all functional PACS in the Country onto a common ERP based national software, linking them with NABARD through StCBs and DCCBs. This initiative helps in improving the operational efficiency of PACS, ensuring speedy disbursal of loans, lowering of transaction costs, increasing transparency and increasing farmers' trustworthiness in PACS operations. So far, a total of 73,492 PACS from 31 States/ UTs have been sanctioned under the project. A total

of 59,920 PACS have been onboarded on ERP Software and hardware has been procured by 30 States/UTs.

- **Establishing New Multipurpose PACS/ Dairy/ Fishery Cooperatives** in covering all the Panchayats: The Government has approved the plan to establish new multipurpose PACS/dairy/fisheries cooperatives, aiming to cover all panchayats and villages in the country in five years. This initiative is supported by NABARD, NDDDB, NFDB and State/UT Governments. As per National Cooperative Database, a total of 22,606 new PACS, Dairy and Fishery Cooperative Societies have been registered as on 30.06.2025 across the country since the approval of the plan on 15.2.2023.
- **World's Largest Decentralized Grain Storage Plan in Cooperative sector:** Government has approved a plan to create warehouses, custom hiring centers, primary processing units and other agri-infrastructure for grain storage at PACS level, through convergence of various existing schemes of Government of India (GOI), including Agricultural Infrastructure Fund (AIF), Agricultural Marketing Infrastructure (AMI), Sub-Mission on Agricultural Mechanization (SMAM), Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME), etc. Under the pilot project of the plan, construction of godowns in 11 PACS of 11 States has been completed.
- **PACS as Common Service Centers (CSCs)** to deliver more than 300 e-services such as banking, insurance, electricity bill payments, health services, legal services, etc. to rural citizens; etc. So far, 47,918 PACS have started functioning as CSC.
- **PACS as Pradhan Mantri Kisan Samriddhi Kendras (PMKSK)** providing fertilizers, pesticides and various other agri inputs to farmers under one roof. So far, 36,592 PACS have been upgraded into PMKSKs.
- **PACS as Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJK)** to ensure availability of quality generic medicines to rural citizens at affordable prices. So far, 762 PACS have got Store Codes from PMBI and are ready to function as PMBJK.
- **PACS made eligible for Retail Petrol/ Diesel outlets:** Government has allowed PACS to be included in the Combined Category 2 (CC2) for allotment of retail petrol/ diesel outlets.
- **PACS given permission to convert bulk consumer petrol pumps into retail outlets:** The existing bulk consumer licensee PACS have been given a one-time option by Oil Marketing Companies to convert into retail outlets. As per information shared by OMCs, 117 wholesale consumer pump licensee PACS from 5 States have given consent for conversion into Retail Outlets, out of which 59 PACS have been commissioned by the OMCs.
- **PACS made eligible for LPG Distributorship for diversifying its activities:** Government has now allowed PACS to apply for LPG Distributorships. This will give PACS an option to increase their economic activities and diversify their income stream.
- PACS have been made eligible to carry out **Operations & Maintenance (O&M) of piped water supply schemes** in rural areas. As per information received from States/

UTs, 539 PACS have been identified/ selected by 8 States/ UTs to provide O&M services at Panchayat/ Village level.

- **Convergence of PM-KUSUM at PACS level:** Farmers associated with PACS can adopt solar agricultural water pumps and install photovoltaic modules in their farms.
- **Convergence of PM Surya Ghar – Muft Bijli Yojana** of Ministry of New & Renewable Energy at Cooperative Societies level.
- **Formation of new Farmer Producer Organizations (FPOs) by PACS:** Against the additional target of 1,100 FPOs allocated to NCDC by Department of Agriculture & Farmers Welfare, GoI, it has registered 1,117 FPOs in Cooperative Sector through PACS. This enables cooperative sector in general and PACS in particular, to generate alternative sources of revenues for their members, thus transforming themselves into viable, dynamic and financially sustainable economic entities.

The initiatives are being implemented by utilizing the approved outlays of the existing schemes of Government of India which are being converged at PACS level. Further, for efficient delivery of the services being provided by PACS across the country including in the Palghar district of the State of Maharashtra, specific trainings are also being provided to them by the agencies concerned.

(e): The Centrally Sponsored Project for Computerization of PACS entails bringing all the functional PACS onto an ERP (Enterprise Resource Planning) based common national software, linking them with NABARD through State Cooperative Banks (StCBs) and District Central Cooperative Banks (DCCBs), which aims to bring transparency and effectiveness in the working of PACS so that the operation of PACS can be professionalized.

(f): The following schemes are being implemented by National Cooperative Development Corporation (NCDC) to encourage and strengthen young entrepreneurs/women self-help groups/FPOs in the cooperative sector:

- **Yuva Sahakar:** The scheme aims at enabling Start-Ups in the Cooperative sector covering all types of activities. It also aims to encourage newly formed cooperative societies with new and / or innovative ideas and provides assistance to cooperative societies that have been operational for a minimum of three months.
- **Nandini Sahakar:** The scheme aims to improve the socio-economic status of women and supports the entrepreneurial dynamism of women through women's cooperatives.
- **Swayamshakti Sahakar Yojna:** The scheme was launched to provide financial assistance to Agricultural Credit Cooperatives for onward lending of working capital loan or term loan to Women Self Help Groups (SHGs) and to facilitate affordable cost-effective reliable financial services to the poor, women SHGs and to access adequate bank credit to undertake common/collective socio-economic activities and promotion of sustainable livelihood.
