

63,000 farm co-ops to be digitised

Computerisation will link all credit societies to a common accounting system

SPECIAL CORRESPONDENT
NEW DELHI

The Cabinet Committee on Economic Affairs (CCEA) on Wednesday approved a proposal to digitise around 63,000 primary agricultural credit societies (PACS).

Union Home and Cooperation Minister Amit Shah said that PACS are the smallest unit in the cooperative sector and their computerisation will prove to be a boon for it.

Mr. Shah said the PACS will be digitised at a cost of ₹2,516 crore, which will benefit about 13 crore small and marginal farmers. Each PACS will get around ₹4 lakh to upgrade its capacity and even old accounting records will be digitised and linked to a cloud based software.

“In this digital age, the decision of computerisation of PACS will increase their transparency, reliability and effi-



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ciency, and will also facilitate the accounting of multipurpose PACS,” Mr. Shah said.

The Minister said the software will be made available in local languages for the convenience of the people. “Along with this, it will also help PACS to become a nodal centre for providing various services such as direct benefit transfer (DBT), Interest

subvention scheme (ISS), crop insurance scheme (PMFBY), and inputs like fertilizers and seeds,” he said.

A government statement said that PACS account for 41% (3.01 crore farmers) of the Kisan Credit Card (KCC) loans given by all entities in the country, and 95% of these KCC loans (2.95 crore farmers) through PACS are to small and marginal farmers.

The other two tiers – State Cooperative Banks (StCB) and District Central Cooperative Banks (DCCB) – have already been automated by the National Bank for Agriculture and Rural Development (NABARD) and brought on the Common Banking Software (CBS).

A senior government official said that the move will help generate around 10 jobs in each centre. The official said that amendments to the model bylaws that would govern the PACS will be placed in the public domain soon. “We have started consultation with States. Most States except Kerala and West Bengal are on board. Though it is a State subject, we will amend the bylaws and the States that oppose it will be forced to implement due to pressure from the credit societies which want change,” the official said.

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