



# NABARD to Digitise PACS in Jharkhand

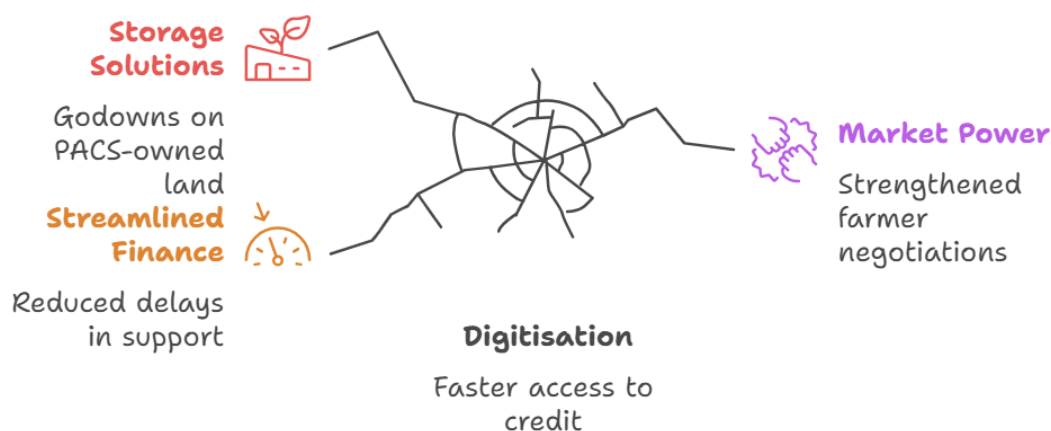
## Why in News?

The [National Bank for Agriculture and Rural Development \(NABARD\)](#) has announced that it will computerise 1,297 [Primary Agriculture Credit Societies \(PACS\)](#) in the state as part of the **second phase** of its digitisation drive.

## Key Points

- **Background:** The Ministry of Co-operation's Centrally Sponsored Project on Computerisation is working to transform PACS into hubs of economic and social activities in rural areas.
  - The state has a total of 4,454 PACS, which act as grassroots-level cooperative credit institutions serving rural communities.
  - In the first phase of the project, NABARD successfully computerised 1,500 PACS.
- **Features of Computerised PACS:** The modernised PACS are being equipped with both hardware and specialised software, ensuring integration with the national grid.
  - This will enable them to provide a wide range of services, including:
    - Implementation of government schemes such as the [Pradhan Mantri Fasal Bima Yojana \(PMFBY\)](#) and direct benefit transfers.
    - Distribution of agricultural inputs like fertilizers and seeds.
    - Operation of [Jan Aushadhi Kendras](#), petrol and gas dealerships, and customer service centers.
    - Establishment of rural godowns for storing agricultural produce.

### Benefits For Farmers



- **NABARD's Role:** NABARD has set up a ₹100 crore fund under the [Rural Infrastructure Development Fund \(RIDF\)](#) to aid the construction of storage facilities and related infrastructure.

- As the nodal agency for PACS computerisation, NABARD is also responsible for:
  - **Training staff** in using the new digital systems.
  - Providing ongoing **technical support**.
  - Facilitating infrastructure development.

## National Bank for Agriculture and Rural Development (NABARD)

- NABARD is a **development bank** that primarily focuses on the rural areas of the country. It is the **apex banking institution** for providing finance for agriculture and rural development.
- It is a **statutory body** established in the year 1982 under the **National Bank for Agriculture and Rural Development Act, 1981**.
- Its headquarters is located in **Mumbai**, the financial capital of the country.
- Apart from agriculture, it is responsible for the **development of small industries**, cottage industries, and rural projects.

## Primary Agricultural Credit Societies (PACS)

- They are basically **credit societies** that are registered under the Cooperative Societies Act of the State concerned.
- PACS are **grassroots-level cooperative credit institutions** that provide farmers with affordable loans, banking services, and agricultural support.
- They form the **base of India's three-tier cooperative credit structure**, along with District Central Cooperative Banks (DCCBs) and State Cooperative Banks (SCBs).
- Out of 1.08 lakh PACS, around 63,000 are in the advanced stages of computerisation, with the government aiming to fully digitise 80,000 of them.

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