

PACS as Common Service Centers

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Primarily Agricultural Credit Societies (PACS) have been the cornerstone of rural India's agricultural economy, providing essential financial support to farmers for decades. With over 1 Lakh PACS scattered across the country, they form one of the largest cooperative networks globally, deeply integrated into the fabric of rural life. However, the needs of rural India have evolved, demanding more comprehensive and accessible services beyond agricultural credit. Recognizing this, the government has reimagined PACS as Common Service Centers (CSCs), transforming them into multifunctional hubs that offer a wide range of services. This transformation aims to bridge the rural-urban divide by making digital and non-digital services easily accessible to rural citizens, empowering communities and fostering inclusive growth.

Primary Agricultural Credit Societies (PACS) are spread across the length and breadth of the country, having a huge member base of more than 13 crore farmers. Given their deep reach in the country, they can serve as an effective medium to provide more than 300 e-services enlisted on the Digital Seva Portal of the Common Service Centers (CSC) Scheme, to the rural citizens.

Accordingly, a Memorandum of Understanding (MoU) was signed between Ministry of Cooperation, Ministry of Electronics and Information Technology, NABARD and CSC e-Governance Services India Limited on 2nd February, 2023, enabling PACS to deliver the CSC services to rural citizens across the country, including banking, insurance, investor awareness, legal literacy,

Aadhaar updation, e-commerce, services related to PAN Card, passport, IRCTC, bus/air tickets, health services, agricultural inputs, etc.

New Vision for Rural Development

The integration of PACS into the CSC framework is a game-changer for rural India. By transitioning into CSCs, PACS are no longer limited to providing agricultural credit but become one-stop centers for a multitude of services. These services include Aadhaar updation and PAN card applications, facilitating registrations for government welfare schemes, and enabling digital transactions. In addition, these centers support e-commerce activities, allowing rural residents to purchase goods online or even sell their own products. Healthcare services, such as telemedicine consultations and the distribution of medicines, are also made available, addressing the gap in rural healthcare infrastructure. Furthermore, PACS-CSCs serve as platforms for education and skill development by providing access to online courses and vocational training programmes. This comprehensive approach ensures that rural citizens can access critical services locally, significantly improving their quality of life.

Empowering Farmers Beyond Credit

Farmers stand to gain immensely from the transformation of PACS into CSCs. Traditionally reliant on intermediaries for accessing financial support or selling their produce, farmers can now directly interact with markets and government schemes through their local PACS. This eliminates intermediaries, ensuring that farmers retain a greater share of their earnings. With access to digital platforms, they can market

their produce to buyers directly, bypassing traditional inefficiencies in the supply chain. Additionally, PACS-CSCs provide critical information on best agricultural practices, weather forecasts, and government subsidies, enabling farmers to make informed decisions. These centers also promote the adoption of modern farming technologies by offering training programmes and access to advanced tools.

Fostering Rural Entrepreneurship

The transition of PACS into CSCs also opens doors for rural entrepreneurship. These centers act as enablers for small-scale entrepreneurs and artisans by providing financial assistance, technical guidance, and market linkages. Rural businesses can use PACS-CSCs to sell their products through e-commerce platforms, participate in training programmes, and access microloans to expand their ventures. This emphasis on entrepreneurship generates local employment opportunities, reducing the dependency on urban migration for livelihoods. Women and youth in villages particularly benefit, as they are encouraged to explore business opportunities and gain financial independence through skill-building initiatives.

Strengthening Rural Infrastructure through PACS-CSCs

The transformation of PACS into CSCs requires robust infrastructure development. This includes upgrading the physical facilities of PACS to accommodate additional services, ensuring reliable internet connectivity in remote areas, and implementing modern IT systems for efficient service delivery. Investments in digitizing operations make service delivery more transparent and user-friendly, building trust among rural communities. Furthermore, training programmes for PACS staff enable them to manage these advanced systems effectively, ensuring the smooth functioning of CSCs. The process of infrastructure development also creates employment opportunities in sectors like construction, IT, and telecommunications, further contributing to rural economic growth.

Financial Inclusion

One of the most significant impacts of transforming PACS into CSCs is the promotion of financial inclusion in rural India. Many rural households still lack access to formal banking systems. PACS-CSCs address this by offering banking services like account opening, deposits, withdrawals, and access to government subsidies. These centers also educate rural residents about financial products such as insurance, pensions, and savings schemes, fostering a culture of financial literacy. By enabling rural families to secure their financial futures,

PACS-CSCs play a vital role in reducing economic vulnerabilities.

Aligning with National Objectives

The PACS-CSC initiative aligns seamlessly with several national programmes, including 'Digital India,' 'Make in India,' and 'Atmanirbhar Bharat.' It supports the Digital India mission by promoting digital infrastructure and e-governance in rural areas. It contributes to the Make in India campaign by fostering rural industries and supporting local entrepreneurs. Lastly, it aligns with the 'Atmanirbhar Bharat' vision by creating self-reliant communities through local employment opportunities and economic empowerment. By integrating these objectives, PACS-CSCs serve as powerful tools for achieving inclusive and sustainable development.

Overcoming Challenges

While the potential of PACS-CSCs is immense, the initiative faces several challenges. Digital literacy among rural populations is still low, limiting their ability to utilize the services effectively. Infrastructure gaps, particularly in remote areas, pose hurdles to seamless service delivery. Resistance to change among traditional PACS staff also slows the adoption of new processes and technologies. Addressing these challenges requires a collaborative approach involving government agencies, cooperatives, and private sector partners. Public awareness campaigns, subsidies for infrastructure development, and targeted training programmes are essential to overcoming these barriers and ensuring the success of the initiative.

Key Achievement and Progress

As on 30th April 2025, 45,319 PACS from 33 States/ Union Territories have started providing CSC services. Transactions worth Rs. 85.70 crore have been done through these PACS. The work for linkage of CSC with the National Software of PACS computerization is also under progress. Further, National Council for Cooperative Training (NCCT) is organizing workshops to provide training to PACS across the country to provide all 300+ services to rural citizens.

This initiative would not only ensure easy availability of various e-services to common citizens in rural areas, but would also help in transforming PACS into nodal centres for providing various citizen-centric services at the local level itself. It would also lead to diversification in their business activities, thus enhancing their revenue streams and helping them in becoming economically self-sustainable entities. In addition, the initiative would also generate employment opportunities in the rural areas of the country. □