

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1126
ANSWERED ON 13/12/2023

Grain Storage Plan in Co-operative Sector

1126. Shri Iranna Kadadi:
Shri Satish Chandra Dubey:
Lt. Gen. (Dr.) D. P. Vats (Retd.):
Smt. Kanta Kardam:

Will the Minister of COOPERATION be pleased to state:

- (a) the details of the “World’s Largest Grain Storage Plan in Co-operative Sector” approved by the Union Cabinet in 2023, including its primary objectives and the advantages it aims to deliver;
- (b) the current status of this initiative; and
- (c) expectations from this initiative to alleviate the issues surrounding food grain storage in India, benefiting both farmers and consumers?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (c): Government on 31.05.2023, has approved the “World’s Largest Grain Storage Plan in Cooperative Sector”, which is being rolled out as a Pilot Project. The Plan entails creation of various agri infrastructure at PACS level, including warehouses, custom hiring center, processing units, Fair Price Shops, etc. through convergence of various existing schemes of the Government of India (GoI), such as, Agriculture Infrastructure Fund (AIF), Agricultural Marketing Infrastructure Scheme (AMI), Sub Mission on Agricultural Mechanization (SMAM) Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME), Pradhan Mantri Kisan Sampada Yojana (PMKSY) and Mission for Integrated Development of Horticulture (MIDH).

Establishment of decentralized storage capacity at PACS level would reduce food grain wastage by creating sufficient storage capacity, strengthen food security of the country, prevent distress sale of crops and enable farmers to realise better prices for their crops. Since PACS would be operating as procurement centre as well as Fair Price Shops (FPS), the cost incurred in transportation of food grains to procurement centres and again transporting the stocks back from warehouses to FPS would also be saved.

Further, an MoU has also been signed between Ministry of Cooperation (GoI), Department of Food and Public Distribution (GoI), Food Corporation of India (FCI) and National

Cooperative Development Corporation (NCDC) to ensure full capacity utilization of the storage capacity being created at PACS level under the Project. States/ UTs and National level Cooperative Federations, like National Cooperative Consumers Federation (NCCF) and National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), have identified 1,711 PACS for creation of storage capacity under the Pilot Project. Presently, construction of godown is going on in 13 PACS of 13 States/ UTs under the Pilot Project.

Establishing decentralized storage capacity at PACS level will provide various benefits to the farmers and consumers, including the following:

- i. Farmers will be able to store their produce in the godown constructed at PACS and avail bridge finance for the next cycle of crop and sell the produce at a time of their choice, or sell their whole crop to the PACS at Minimum Support Price (MSP), which would enable them to avoid distress sale of crops.
- ii. They will be able to get various agri inputs and services at the Panchayat/ village level itself.
- iii. Through diversification of business, farmers will be able to get additional sources of income.
- iv. Through integration with the food supply management chain, farmers will be able to expand their market size and realize better value for their produce.
- v. Creation of adequate food grain storage capacity at PACS level will help in reduction of post-harvest loss, thus enabling farmers to earn better prices.
- vi. In addition to the above, this Plan would help in ensuring food security at Panchayat/ village level across the country, thereby benefitting the consumers.
