

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 170**  
ANSWERED ON 24/07/2024

**Foodgrains storage plan**

170. SHRI SHAMBHU SHARAN PATEL:

Will the Minister of COOPERATION be pleased to state:

- (a) whether the world's largest foodgrain storage plan is being implemented by the Ministry;
- (b) the benefits that would result at the Panchayat/village level under this scheme; and
- (c) the manner in which this scheme would help farmers in getting fair prices for their produce?

**ANSWER**

THE MINISTER OF COOPERATION  
(SHRI AMIT SHAH)

(a) to (c): Yes, Sir. In order to address the shortage of storage capacity for food grains in the country, the Government on 31.05.2023, has approved the "World's Largest Grain Storage Plan in Cooperative Sector", which has been 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), etc. The Pilot Project is being implemented by National Cooperative Development Corporation (NCDC) with the support of NABARD, NABARD Consultancy Services (NABCONS), Food Corporation of India (FCI), National Buildings Construction Corporation (NBCC), etc. in different States/ UTs.

Creation of decentralized storage capacity at Panchayat level will result in reduction of post-harvest losses. It would also reduce the cost incurred in transportation of food grains to procurement centres and again transporting the stocks back from warehouses to Fair Price Shop (FPS) as PACS would themselves be able to operate as procurement centre and FPS. This will financially strengthen not only PACS but also their farmer members. The creation of godowns at PACS level will help farmers in following ways to get fair prices for their produce:

- i. They will be able to store their produce in the godown constructed at PACS and avail bridge finance for the next cropping cycle 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. Through integration with the food supply management chain, farmers will be able to expand their market size and realize better value for their produce.
- iii. Through diversification of business activities, farmers will be able to get additional and stable sources of income.

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