

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 963**  
ANSWERED ON 31/07/2024

**New warehouses to ensure food security**

**963 # SHRI RAMBHAI HARJIBHAI MOKARIYA:**

Will the Minister of COOPERATION be pleased to state:

- (a) whether the Ministry is planning to build warehouses to ensure food security in the country;
- (b) if so, the level at which this scheme will be implemented;
- (c) the average cost of the agricultural infrastructure to be built under this scheme; and
- (d) the benefits that will accrue to farmers from this scheme?

**ANSWER**

THE MINISTER OF COOPERATION  
(SHRI AMIT SHAH)

(a) to (d): 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), Mission for Integrated Development of Horticulture (MIDH), Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME), etc. The Plan is being implemented at PACS level 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.

The estimated cost for building agricultural infrastructure varies from region to region depending upon the topography, cost of labor, project components selected by PACS, size of godown, etc.

The creation of decentralized storage capacity at PACS level aims to provide various benefits to the farmers, including the following:

- i. They 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 losses, thus enabling farmers to earn better prices.
- vi. 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.
- vii. In addition to the above, this Plan would help in ensuring food security across the country.

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