

GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2561**  
TO BE ANSWERED ON 18<sup>TH</sup> DECEMBER, 2024

**World's largest foodgrain storage scheme**

2561 # Smt. Darshana Singh:

Will the Minister of COOPERATION be pleased to state:

- (a) whether Government is working on launching the world's largest foodgrain storage scheme in the cooperative sector;
- (b) if so, the amount allocated by Government for this scheme and the details thereof;
- (c) whether Government is planning to build godowns to enhance foodgrain storage capacity and if so, the details of its size and magnitude; and
- (d) the manner in which this scheme will be helpful in preventing foodgrain wastage and stabilizing prices in the country?

**ANSWER**

THE MINISTER OF COOPERATION  
(SHRI AMIT SHAH)

(a): Yes, Sir. The Government on 31.05.2023, has approved the “World’s Largest Grain Storage Plan in Cooperative Sector”, to be rolled out as a Pilot Project.

(b): The Plan entails creation of various agri infrastructure at PACS level, including godowns, 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.

Under the Plan, subsidies and interest subvention are given to PACS through convergence of various existing Government of India schemes, like Agriculture Infrastructure Fund (AIF), Agricultural Marketing Infrastructure Scheme (AMI), etc. Under AIF Scheme 3% interest subvention is provided for the project up to Rs. 2 crore with loan repayment period of 2+5 years. Further, under AMI Scheme 33.33% subsidy is provided to PACS for construction of storage units. Moreover, under the AMI scheme Margin Money requirement for PACS has been reduced from 20% to 10%. Apart from assistance for Storage Infrastructure on Capital Cost (including ancillaries like Boundary Wall, Drainage, etc.), now there is additional subsidy

to PACS on ancillaries that is restricted to a maximum 1/3rd of the total permissible subsidy of the godown component or actual whichever is lower.

(c): Yes, Sir. The Government is establishing godowns of decentralized storage capacity ranging from 500 MT to 2000 MT at PACS level to enhance foodgrain storage capacity.

(d): The creation of decentralized storage capacity at PACS level helps in reducing 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 can also operate 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 can also be saved, therefore, stabilizing prices in the country.

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