

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
STARRED QUESTION NO. 113
TO BE ANSWERED ON 30th JULY, 2025

Cooperative Foodgrain Storage and Supply Chain

113 # Shri Subhash Barala:

Will the Minister of COOPERATION be pleased to state:

- (a) whether national-level mapping of warehouses has been undertaken under the cooperative storage scheme;
- (b) whether any financial or policy interventions are proposed to strengthen cooperative storage infrastructure;
- (c) whether cooperative institutions are being linked with FCI, NAFED, NCCF and State Warehousing Corporations;
- (d) if so, the objectives and expected outcomes of this integration;
- (e) whether Gujarat's cooperative institutions have been mapped and how many PACS have been selected for infrastructure upgrades; and
- (f) what financial or policy measures has Gujarat implemented to modernize cooperative storage and strengthen institutional integration?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) IN RESPECT OF RAJYA SABHA STARRED QUESTION NO. 113 FOR REPLY ON 30TH JULY, 2025 ASKED BY SHRI SUBHASH BARALA REGARDING COOPERATIVE FOODGRAIN STORAGE AND SUPPLY CHAIN.

(a): Yes, Sir. In order to address the shortage of storage capacity for food grains in the country, the Government, on 31st May, 2023, has approved the Plan for the “World’s Largest Grain Storage Plan in Cooperative Sector”, which has been rolled out as a Pilot Project. Under the Plan, mapping of existing storage infrastructure has been initiated which includes identification of locations with storage gap by States/ UTs and central agencies and mapping those against available PACS with land and operational readiness. For this purpose, a Committee at District level namely District Cooperative Development Committee (DCDC) has been entrusted with the roles to examine and assess the availability of existing storage facilities, their capacity utilization, storage gap, capacity of proposed godowns, viability of the applicant PACS, location of the proposed project, connectivity, logistics, etc. The objective is to identify gaps in rural storage and target PACS for infrastructure development in such areas.

Under the Pilot Project, construction of godowns has been completed in 11 PACS of 11 States. Further, more than 500 PACS have been identified for construction of godowns under the project out of which 24 godowns in the State of Rajasthan have been completed and inaugurated on 17.7.2025.

(b): The Plan entails creation of various agri infrastructure at PACS level, including godowns, custom hiring centers, 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 AIF Scheme the benefit of interest subvention is given to the PACS against the loan taken for construction of godowns and under AMI Scheme subsidy is given for the construction of foodgrain storage. The Department of Agriculture and Farmers Welfare has also made the following amendments under the AMI scheme:

- Margin money requirement has been reduced from 20% to 10%.
- The construction cost has been revised from ₹3000–3500/MT to ₹7000/MT for plain areas and from ₹4000/MT to ₹8000/MT for northeastern states.
- The subsidy has been increased for PACS from 25% to 33.33% (from ₹875/MT to ₹2333/MT for plain areas and from ₹1333.33/MT to ₹2666/MT for northeastern states).

- For PACS, a provision has been made to provide an additional subsidy of 1/3 (one third) of the total admissible subsidy for ancillary infrastructure such as internal roads, weighbridges, boundary walls, etc., for PACS.

Further, some States such as Rajasthan and Gujarat are providing financial support for godown construction under the project through their own State level schemes.

(c): PACS are being actively integrated with FCI, NAFED, NCCF, State Warehousing Corporations (SWCs) through this plan. These agencies have been roped in for identification of PACS, constructions of godowns, providing hiring assurance, and extending operational support under the plan. FCI plays a critical role in mapping storage gaps for construction of godowns at PACS level and issuing hiring assurances, especially in non-DCP States. NAFED and NCCF, being national-level procurement and marketing cooperatives, are responsible for identifying PACS in their procurement zones, issuing hiring assurances, guiding proposal development, and ensuring full operational utilization of constructed godowns. Additionally, SWCs, in coordination with the Central Warehousing Corporation (CWC) and State Cooperation Departments, are tasked with facilitating timely hiring commitments.

(d): The key objectives and outcomes of this integration include:

- Promoting decentralized storage and reducing reliance on centralized procurement.
- Ensuring year-round utilization of PACS godowns through assured hiring.
- Improving the financial viability of PACS and enabling them to evolve as self-sustaining rural institutions.
- Strengthening last-mile delivery of foodgrains and reducing post-harvest losses.

(e): A total of 47 PACS have been identified so far, in the State of Gujarat for construction of godowns under World's Largest Grain Storage Plan in Cooperative Sector. Further, a godown of 750 MT capacity has been constructed at the Chandranagar Group Seva Sahakari Mandli Limited in Ahmedabad, Gujarat under the Pilot Project of the Plan.

(f): Apart from the support being provided through convergence of central government schemes, the State of Gujarat is providing 50% subsidy (maximum of Rs. 50 Lakhs) for construction of godowns with capacity more than 500 MT.
