

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 3693
TO BE ANSWERED ON 11th AUGUST, 2026**

Storage Capacity in PACS

**†3693. Shri Neeraj Maurya:
Mrs Ruchi Vira:**

Will the Minister of COOPERATION (सहकारिता मंत्री) be pleased to state:

- (a) the target year for achieving 100 per cent storage capacity in the identified Primary Agricultural Credit Societies (PACS) in Uttar Pradesh and the present percentage of progress achieved against the targets fixed;
- (b) whether old and dilapidated PACS buildings are being advertised as modern warehouses despite lacking moisture-control technology and the prescribed standards for scientific storage in several areas;
- (c) whether the delays in the sanction of bank loans due to land disputes and the weak financial position of PACS are impeding the physical expansion of the Scheme in rural Uttar Pradesh;
- (d) whether the Government is likely to provide any special quota or other support for small and marginal farmers who are unable to bear storage charges and are compelled to sell their produce at distress prices; and
- (e) if so, the details thereof?

ANSWER

**THE MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)**

- (a) Under the Decentralized Grain Storage Plan in the Cooperative Sector 12 PACS/Cooperative Societies with a capacity of 0.52 LMT have been identified in 12 districts of the state and detailed project report in respect of all 13 projects have been prepared. However, construction is yet to be started by the States. Further, one godown of 1,500 MT capacity has already been constructed in Kotwa Pandey PACS in Mirzapur district of Uttar Pradesh. The Plan is demand-driven and implementation is undertaken in phased manner on the proposals received from State /UTs and therefore no state wise target is fixed. However, as per the AMI guidelines of DA&FW, construction of godowns by PACS/Cooperative Societies to be completed within 18 months and to submit completion documents for final subsidy claims. However, an extension of up to 6 additional months can be allowed if the reasons for delay are fully justified.

- (b) No, Sir. Under the Plan, financial assistance is available only for construction of new scientific storage infrastructure at PACS/other cooperative society level. All the godowns under decentralized grain storage plan in cooperative sector are created after the launch of the plan. Old or dilapidated PACS buildings are not treated as modern scientific warehouses under the plan.
- (c) Sir, to enable faster sanction of loan, a series of measures were undertaken under the plan. Under the Agriculture Infrastructure Fund (AIF), the loan repayment period has been enhanced from 2+5 years to 2+8 years, thereby providing greater flexibility to borrowers. Nabhsanrakshan scheme credit guarantee was also extended to PACS at par with Farmer Producer Organization (FPO). Under the Agricultural Marketing Infrastructure (AMI) Scheme, the capital subsidy has been enhanced from 25% to 33.33%, the margin money requirement has been reduced from 20% to 10%. Besides this the Plan also utilizes NABARD's special refinance scheme to significantly reduce the financial burden on participating cooperatives. When combined with the 3% interest subvention available under the AIF, the effective loan interest rate for PACS is reduced to 1% under Decentralized Grain Storage Plan in Cooperative Sector.

Further, under decentralized grain storage plan in cooperative sector eligible cooperative societies, including PACS, may establish infrastructure on either self-owned land or leased land. Land allocation is facilitated by the concerned State Governments, wherever required. Issues relating to land availability, loan sanction and financial capacity of PACS/other cooperative societies are addressed in coordination with the State Governments and the implementing agencies.

- (d) &(e) There is no such provision for separate quota or special subsidy for storage charges under the decentralized grain storage plan in cooperative sector.
