

# World's largest food storage scheme for farmers

Posted On: 18 MAR 2026 5:31PM by PIB Delhi

In order to address the shortage of storage capacity for food grains in the country and creation of decentralised scientific grain storage infrastructure, the Government, on 31st May, 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 including godowns, custom hiring centers, processing units, Fair Price Shops, etc. at Primary Agricultural Credit Societies (PACS)/ other cooperative societies level 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 33% subsidy is given for the construction of foodgrain storage. The Department of Agriculture and Farmers Welfare has extended the credit guarantee under AIF Scheme from 2+5 to 2+8 years for PACS and 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.

Further, Food Corporation of India (FCI) has also agreed to provide uniform hiring assurance for 9 years to PACS/ other cooperative societies godowns under the Plan.

For the implementation of the plan a Margdarshika (Standard Operating Procedure) has also been prepared and shared with all the stakeholders. As per the Margdarshika, the action plan for implementing the Grain Storage Plan follows a structured, time-bound process with the State Cooperative Department identifying viable PACS/ other cooperative societies equipped with adequate land. These identified PACS/ other cooperative societies must be approved by the District Cooperative Development Committee (DCDC), after which the Food Corporation of India (FCI)/ National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)/ National Cooperative Consumers' Federation of India Ltd. (NCCF)/ State Food Departments/ any other Central or State agency issue Hiring Assurance Letters to guarantee project viability.

Following this, a site-specific Detailed Project Report (DPR) is prepared, and the cooperative society submits loan and subsidy applications (leveraging schemes like AIF and AMI) to the District Central Cooperative Bank (DCCB). Once the bank appraises and sanctions the loan, the project grounding takes

place, with the actual construction mandated to be completed within six months, ultimately handing over the functional warehouse to the cooperative society to commence business activities.

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 World's Largest Grain Storage Plan.

For the construction of the godowns under the Plan, there is built-in flexibility: construction can be undertaken either directly by PACS or through designated State agencies/Project Management Consultants (PMCs), provided they strictly adhere to the project's prescribed design, logo, and quality standards.

Agencies such as Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), National Cooperative Consumers' Federation of India Ltd. (NCCF) and State Warehousing Corporations (SWCs) have identified 378 districts/ location across the country as per their storage requirement which constitutes a total storage gap of 46.92 LMT and States/UTs concerned have been requested for further identification of land in PACS and other Cooperative Societies. So far, under the Grain Storage Plan, 560 cooperative societies have been identified and construction of godowns has been completed in 120 cooperative societies across the country creating a total storage capacity of 72,702 MT. State-wise details of the same are attached at ***Annexure – I***.

Under the plan, PACS/ other cooperative societies can also establish cold chain infrastructure including cold storage units, pack houses, refrigeration vans, etc. for supply of fruits and vegetables produced in the villages under the Centrally Sponsored Scheme of Mission for Integrated Development of Horticulture (MIDH).

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#### **Annexure-I**

| <b>Status of Grain Storage Plan (as on 20.01.2026)</b> |                                |                                              |                      |                               |                              |
|--------------------------------------------------------|--------------------------------|----------------------------------------------|----------------------|-------------------------------|------------------------------|
| <b>S.No</b>                                            | <b>State / Union Territory</b> | <b>Identified PACS/Cooperative Societies</b> | <b>DPR Submitted</b> | <b>Construction Completed</b> | <b>Capacity Created (MT)</b> |
| 1                                                      | Maharashtra                    | 184                                          | 78                   | 16                            | 17,952                       |
| 2                                                      | Odisha                         | 19                                           | 17                   | 0                             | 0                            |
| 3                                                      | Rajasthan                      | 172                                          | 172                  | 91                            | 45,250                       |
| 4                                                      | Gujarat                        | 66                                           | 81                   | 5                             | 3,750                        |

|    |                   |    |    |   |       |
|----|-------------------|----|----|---|-------|
| 5  | Jharkhand         | 0  | 0  | 0 | 0     |
| 6  | Haryana           | 30 | 11 | 0 | 0     |
| 7  | Uttar Pradesh     | 25 | 24 | 1 | 1,500 |
| 8  | Chhattisgarh      | 19 | 19 | 0 | 0     |
| 9  | Assam             | 1  | 1  | 1 | 500   |
| 10 | Tripura           | 1  | 1  | 1 | 250   |
| 11 | Jammu & Kashmir   | 2  | 1  | 0 | 0     |
| 12 | Himachal Pradesh  | 0  | 0  | 0 | 0     |
| 13 | Telangana         | 1  | 1  | 1 | 500   |
| 14 | Karnataka         | 1  | 1  | 1 | 1,000 |
| 15 | Tamil Nadu        | 1  | 1  | 1 | 1,000 |
| 16 | Uttarakhand       | 1  | 1  | 1 | 500   |
| 17 | Madhya Pradesh    | 1  | 1  | 1 | 500   |
| 18 | Punjab            | 0  | 0  | 0 | 0     |
| 19 | Nagaland          | 0  | 0  | 0 | 0     |
| 20 | Meghalaya         | 0  | 0  | 0 | 0     |
| 21 | Manipur           | 0  | 0  | 0 | 0     |
| 22 | Arunachal Pradesh | 0  | 0  | 0 | 0     |
| 23 | Bihar             | 36 | 16 | 0 | 0     |
| 24 | Andhra Pradesh    | 0  | 0  | 0 | 0     |

|  |              |            |            |            |               |
|--|--------------|------------|------------|------------|---------------|
|  | <b>Total</b> | <b>560</b> | <b>426</b> | <b>120</b> | <b>72,702</b> |
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This information was given by Union Minister for Home and Cooperation Shri Amit Shah in a written reply in Rajya Sabha.

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**AK/AP**

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