

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

LOK SABHA
UNSTARRED QUESTION NO. 447
TO BE ANSWERED ON 05/12/2023

Convergence of Schemes to Meet Shortage of Foodgrains

447. DR. RAM SHANKAR KATHERIA:

SHRI KHAGEN MURMU:

SHRI MAHABALI SINGH:

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

- (a) whether the Ministry of Cooperation has formulated any scheme to meet the shortages of foodgrains across the country by converging various existing schemes of the Government;
- (b) if so, the names of the schemes which are being converged;
- (c) the level at which the said schemes are likely to be converged; and
- (d) the details of the benefits likely to be accrued to the farmers due to the said convergence?

ANSWER

THE MINISTER OF COOPERATION

सहकारिता मंत्री (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 Plan for the “World’s Largest Grain Storage Plan in Cooperative Sector”, to be 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) Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME), Pradhan Mantri Kisan Sampada Yojana (PMKSY) and Mission for Integrated Development of Horticulture (MIDH).

In order to ensure smooth and effective implementation of the plan, Ministry of Cooperation has constituted Inter-Ministerial Committee (IMC), which is authorized to modify guidelines/ implementation methodologies of the schemes identified for convergence, as and when need arises. A National Level Coordination Committee (NLCC) has also been constituted having members from Ministry/ Departments, Central Government agencies concerned to steer the overall implementation of the Plan and reviewing the progress of implementation, etc.

In order to monitor the implementation of the project and to ensure its seamless integration with the existing policies/ programmes at State level, State Cooperative Development Committee (SCDC) at State level and District Cooperative Development Committee (DCDC) in each District of the State/UT have also been constituted.

National Cooperative Development Corporation (NCDC) with the support of NABARD, NABARD Consultancy Services (NABCONS), Central Warehousing Corporation (CWC), Food Corporation of India (FCI), National Buildings Construction Corporation (NBCC), etc. is implementing the Pilot Project in different States/ UTs. At present, construction has started in 13 PACS in 13 States/ UTs. States/ Union Territories and various National Level Federations such as National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and National Cooperative Consumers' Federation of India Limited (NCCF) have identified 1,711 PACS to be included in the pilot project.

Further, an MoU has also been signed between Ministry of Cooperation (GoI), Department of Food and Public Distribution (GoI), Food Corporation of India (FCI) and National Cooperative Development Corporation (NCDC) to ensure full capacity utilization of the storage capacity being created at PACS level under the Project.

By availing the benefits under the schemes being converged at PACS level, PACS will be able to set up godowns for storage of foodgrains and other agri produce, Marketing Sheds, Farm Machinery Banks, Packaging Units, Rice Mills, Flour Mills, etc. The creation of decentralized storage capacity at PACS level will 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 loss, 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.

Also, Under the Multi-State Cooperative Societies Act, 2002, a new Bhartiya Beej Sahakari Samiti Limited (BBSSL) has been set up as an Umbrella organization for cultivation, production and distribution of improved seeds under a single brand name. This Society will increase availability of improved seeds to the farmers, boost productivity of crops and enhance the income of the farmers. 8,200 applications have been received for membership, till now.

Further, details of initiatives taken by the Ministry of Agriculture for meeting the shortage of foodgrains are enclosed as **Annexure**.

Initiatives taken by Ministry of Agriculture for meeting the shortage of foodgrains

1. Agriculture Infrastructure Fund (AIF) Scheme:

AIF envisages creation of post-harvest management infrastructure and community farming assets through incentives and financial support. It includes interest subvention of 3% for a loan up to Rs. 2 Crore per project location for 7 years and reimbursement of credit guarantee fee if the project has credit guarantee cover under CGTMSE.

2. Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA):

PM-AASHA aims at providing Minimum Support Price (MSP) to farmers for produce of notified oilseeds, pulses & copra. It comprises Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement and Stockist Scheme (PPSS):

- (i) PSS:** It is implemented at the request of the State Government concerned which agrees to exempt the procured commodities of pulses, oilseeds and copra from levy of mandi tax and assist central nodal agencies, in logistic arrangements. Procurement of these commodities are undertaken directly from pre-registered farmers at MSP as and when prices fall below MSP.
- (ii) PDPS:** It envisages direct payment of the difference between the MSP and the selling/ modal price to pre-registered farmers selling oilseeds of prescribed Fair Average Quality (FAQ) norms within the stipulated period in the notified market yard through a transparent auction process.
- (iii) PPSS:** The States have the option to implement PPSS for procurement of oilseeds. Such procurement is made from pre-registered farmers on a pilot basis in district/ selected APMC(s) of district

3. Market Intervention Scheme (MIS):

MIS entails procurement of agricultural and horticultural commodities which are perishable in nature and for which MSP is not announced, in order to protect the growers of these commodities from making distress sale in the event of a bumper crop when prices tend to fall below economic level / cost of production.
