

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1490
ANSWERED ON:03.08.2010
PRIMARY MARKETS
Devappa Anna Shri Shetti Raju Alias

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to open primary markets for procurement of agricultural commodities from the farmers and to upgrade the existing marketing infrastructure in the country;
- (b) if so, the details thereof; and
- (c) the funds earmarked for the same?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (c): Agricultural Marketing being a state subject, establishment of markets including primary markets for agricultural commodities is within the competence of State Government. Central Government provides assistance through various schemes for development and strengthening of market infrastructure as follows:

The Scheme for Development/Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization has been launched with the objective of strengthening of existing agricultural marketing infrastructure, providing of additional agricultural marketing infrastructure and to promote competitive alternative marketing infrastructure etc. Under the scheme, assistance is provided @25% of capital cost of the project subject to ceiling of Rs.50 lakh for each project. Subsidy is provided @33.33% for North East States, State of Uttarakhand, Himachal Pradesh, Jammu and Kashmir, SC/ST entrepreneurs and their cooperatives etc.

Under the market infrastructure component of National Horticulture Mission, assistance is provided for creation of rural primary market/apni mandi, wholesale market and terminal market complex to link farmers with producers. Under the scheme, assistance is provided @40% of the project cost up to Rs.20 lakh for rural primary markets and @25% of the project cost up to Rs.100 crore for wholesale markets. In addition, subsidy up to 40% is provided for setting up terminal market complex.

Under the programme of Swarnjayanti Gram Swarozgar Yojana (SGSY) under the Ministry of Rural Development, there is a provision for setting up of permanent marketing centres or haats at village, district and state level to promote the sale of products of beneficiaries covered under the programme. Assistance is provided up to Rs.15 lakh for creation of village haats, up to Rs.1.5 crore for a district level haat and up to Rs. 3.00 crore for a haat at the state capital.

No separate funds have been earmarked for opening of primary markets for procurement of agricultural commodities. However, procurement of food grains (wheat, paddy and coarse grains) is undertaken by Food Corporation of India and state agencies at Minimum Support Price for which these agencies open adequate number of procurement centres.