

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3364
ANSWERED ON:30.11.2010
STORAGE FOR CROPS
Baske Shri Pulin Bihar

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to set up mandi houses to store crops purchased directly from farmers;
- (b) if so, the details thereof;
- (c) whether the Government is considering to increase the subsidy to farmers on electricity, fertilisers and irrigation;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

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

(a) & (b): Setting up of Mandi (wholesale agriculture markets) falls within the domain of State Governments. However, Government of India provides assistance for development of marketing infrastructure including storage facilities. Under the 'Grameen Bhandaran Yojana' Government of India provides assistance with the main objective of creation of scientific storage capacity with allied facilities in rural areas for storing farm produce, processed farm produce, agricultural inputs as well as for prevention of distress sale.

Under the scheme, subsidy @ 25% is provided to all categories of farmers, agriculture graduates, cooperatives and Central Warehousing Corporation (CWC)/ State Warehousing Corporations (SWCs). In case of North Eastern States/hilly areas, Scheduled Caste/Scheduled Tribe entrepreneurs and their self-help-groups/cooperatives and Women Farmers/their self-help-groups/cooperatives, subsidy is provided @ 33.33%. All other categories of individuals, companies and corporations are provided subsidy @ 15% of the project cost. Since the inception of the scheme with effect from 1/4/2001 and up to 31st October, 2010, 22827 godowns with a capacity of 271.97 lakhs tones have been sanctioned all over the country.

Food Corporation of India (FCI) undertakes price support operations for safeguarding the interest of farmers. It maintains buffer stocks of food grains to ensure Food Security. As on 01-04-2010, FCI has 28.84 million MT of storage capacity (Covered and Covered Plinth/owned and Hired from State Government/CWC/SWCs and private parties) all over the country.

(c) to (e): It is the prerogative of the respective State Governments to provide/increase subsidy for electricity and irrigation to any consumer or class of consumers including farmers. Presently, there is no proposal under consideration of Government of India to increase subsidy levels on fertilizer and micro-irrigation, as the present levels of subsidy are adequate.