

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:451
ANSWERED ON:08.05.2012
HIKE IN PRICES OF VEGETABLES
Shekhar Shri Neeraj;Singh Shri Yashvir

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government is aware that the wholesale prices of vegetables have shown a marginal increase but retailers and stockists are driving the rise in vegetable prices;
- (b) if so, the details thereof alongwith the reaction of the Government thereto;
- (c) whether the Government proposes to provide storage facilities to farmers producing vegetables at the local level through the Food Corporation of India/ Public Private Partnership mode as farmers are not getting appropriate prices for their produce; and
- (d) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 451 DUE FOR REPLY ON 8TH MAY, 2012.

(a) & (b): The wholesale and retail prices are largely influenced by market forces like different layers in the distribution channels, lack of market integration, transport and handling costs, wholesalers and retailers' margin, packing expenses and various taxes levied by different State Governments. Hence, the transmission mechanism from the wholesale to retail market and vice versa is not efficient and effective.

(c) & (d): Government has launched 'Gramin Bhandaran Yojana' with effect from 1st April 2001 with the objective of creation of scientific storage capacity in rural areas to meet the storage requirements of farmers for storing farm produce, processed farm produce and agricultural inputs. Since the inception of the scheme and up to 29th February, 2012, 27110 godowns with total capacity of 310.29 lakh tons, involving assistance of Rs.843 crore have been sanctioned by NABARD & NCDC all over the country.

Government provides assistance under National Horticulture Mission (NHM) and Horticulture Mission for North-East and Himalayan States (HMNEH). This includes establishment of Cold Storages, setting up of terminal markets, wholesale markets and rural primary markets / apni mandies to ensure adequate supply of horticulture products including onion to the consumers at reasonable prices and also to provide remunerative returns to the farmers. National Horticulture Board (NHB) is also implementing a scheme "Capital Investment Subsidy for Construction / Expansion / Modernization of Cold Storages for Horticulture Produce".