



**LOK SABHA SECRETARIAT**  
**PRESS RELEASE**

**11 August, 2016**  
**20 Shrawana, 1938 (Saka)**

Shri **Hukm Deo Narayan Yadav**, M.P. and Chairperson, Standing Committee on Agriculture (2015-16), presented the Twenty-Eighth Report (Sixteenth Lok Sabha) on 'Augmenting Rural Storage Infrastructure through the Scheme of Rural Godowns' of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Co-operation and Farmers Welfare) to Lok Sabha today, the 11<sup>th</sup> August, 2016.

Some of the important recommendations of the Committee are as under:

<b>Augmenting Rural Storage Infrastructure.</b>	<b>The Committee noted that as per the assessment of the Government, about 600 lakh tonnes of food grains are required under the Food Security Act and therefore, the country needs storage capacity of 600 lakh tonnes. The Committee, therefore, recommended that keeping in view the current and future food grains production and procurement scenario, an action plan may be prepared by the Department in coordination with State Governments and other stakeholders for creation of sufficient storage capacity.</b> <b>(Recommendation Para No. 1)</b>
---	---

<p><b>Allocation of Funds.</b></p>	<p>The Committee were distressed to note that the scheme has been temporarily stopped since 05.08.2014 for promoters of General Category due to exhaustion of funds and only committed liabilities are being met as on date. The Committee also noted with regret that for want of funds, disbursement of subsidy amounting Rs.1000 crore to the beneficiaries is pending where construction of godowns is complete. This has caused undue hardship to the beneficiaries for no apparent fault of theirs. Further, godowns worth Rs.800 crore has been sanctioned by the banks and these are to be completed. According to the Secretary of the Department, additional funds are required for creational of additional storage facility. The Committee, therefore, recommended that the Department should take up matter with the Ministry of Finance and impress upon them to provide requisite funds so that creational of additional storage facility across the country under the scheme is not hampered for want of funds and pending subsidy to the beneficiaries is released without further delay.</p> <p style="text-align: right;">(Recommendation Para No. 2)</p>
<p><b>Conversion of Land use.</b></p>	<p>It was brought to the notice of the Committee that conversion of land is not mandatory under the scheme. Many banks sanction the loan without land conversion certificate and the subsidy under the scheme is released. In certain States, godowns constructed in an area of 500 square metres is treated as an agriculture activity and conversion of land usage for commercial purposes is not required. In some States like in Rajasthan initially for about four to five years, there was no demand for land conversion for construction of godowns but later on, the same was insisted upon. Thus, the Committee noted that there is no clarity and uniformity on the issue of conversion of land usage for the purpose of construction of godowns. This has created confusion amongst the intended beneficiaries and is proving detrimental to their interest as the guidelines on the issue are silent. The Committee viewed that construction of rural godown is an important agricultural activity and therefore, conversion of land usage need not be made essential for the purpose. They, therefore, recommended that the Department may take up the matter with all the States and the stakeholders impressing upon them to treat construction of storage infrastructure as part of the agricultural activity and the conversion of land use may not be required and suitable amendments be made in the guidelines on the issue.</p> <p style="text-align: right;">(Recommendation Para No. 4)</p>

<p><b>Safeguarding Interests of Small and Marginal farmers.</b></p>	<p>The Committee noted that about 82.42 % of the number of projects created under the storage component of AMI sub-scheme, were by private promoters and in terms of capacity, it is almost 91%. However, the Committee were distressed to note that majority of the godowns constructed under the scheme belong to the affluent people as informed by the Secretary of the Department during the course of evidence. Needless to say farming community in the country is dominated by small and marginal farmers with very low income level and therefore, they are not in a position to invest sufficient funds for creation of infrastructure facility for storage of their produce. It would, therefore, be imperative for the Department to safeguard the interests of small and marginal farmers including those belonging to SC/ST category and women and their problems should be addressed promptly without undue delay. The Committee, therefore, recommended that the Department should make concerted and coordinated efforts with all concerned to assist the farming community particularly those small and marginal farmers in establishing storage infrastructures for their produce.</p> <p style="text-align: right;">(Recommendation Para No. 5)</p>
<p><b>Eco-friendly Godowns</b></p>	<p>The Committee viewed that usage of godowns for storage of food grains and other post-harvest activities should be eco-friendly. Such godowns should not emit any hazardous chemicals adversely affecting the surrounding environment. In this regard, the Committee noted with regret that the Government has not conducted any study to assess the impact of the scheme on environment. Being well aware of the adverse consequences of neglecting environmental issues, the Committee desired that a study may be undertaken at the earliest to assess the impact of usage of godowns for storage of food grains and other activities on the surrounding environment and action may be taken on the basis of the outcome of such study.</p> <p style="text-align: right;">(Recommendation Para No. 6)</p>
<p><b>General Awareness and Training Programmes.</b></p>	<p>The Committee noted that general awareness, advertisement, publicity and training programmes are taken up with a special focus on promoters from SC/ST category and North Eastern Region and in the States/UTs where the storage component of the sub scheme has not picked up in the past. The general awareness and training programmes etc. are taken up through National Institute of Agricultural Marketing (NIAM), Jaipur, National Institute of Agricultural Extension Management (MANAGE), Hyderabad,</p>

	<p><b>Training of Personnel in Cooperative Institute (TOPIC), Gurgaon, NABARD and other national and state level institutioin/universities. The Committee viewed that people are not aware as to how to preserve and maintain the quality of their produce and its long term preservation. It is imperative for the godown owners to adopt scientific storage of their produce to reduce the wastage and losses due to infestation. Being well aware of the importance of general awareness and training programmes to the beneficiaries of the scheme, the Committee recommended that an intensive training for a period of ten days may be imparted to all the beneficiaries under the scheme at the time of sanction of godown.</b></p> <p style="text-align: right;"><b>(Recommendation Para No. 8)</b></p>
--	---