



# Ten Thousand Crore Rupees Guarantee to Farmers on Wheat-Paddy Purchase

## Why in News?

- On June 21, 2022, the state cabinet meeting chaired by Chief Minister Nitish Kumar approved the decision to give a guarantee of Rs 10 thousand crore to the farmers of Bihar on the purchase of wheat and paddy.

## key Points

- The state government will provide a guarantee of 10,000 crore rupees for procurement of Wheat and Paddy in the financial year 2022-23. This guarantee will be given on borrowing from institutions like commercial banks, NABARD.
- The cabinet has given its approval to give a state guarantee of Rs 10 thousand crore to Bihar State Food and Civil Supplies Corporation as working capital for loans taken at quarterly rate of interest from various financial institutions.
- Thirteen proposals were approved in the meeting. The cabinet gave its approval to spend Rs. 94 crore 5 lakh 54 thousand this year for agricultural mechanization scheme. Under this, the farmers of the state will get up to 80 percent subsidy on various agricultural machines.
- The state government will spend Rs 31 crore for grant on equipment like Happy Seeder, Super Seeder, Straw Baler, Reaper-cum-Binder related to stubble management.

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