

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO. 24
TO BE ANSWERED ON THE 02/02/2024

PROCUREMENT OF COPRA AND RAW COCONUT

24. SHRI VAIKO:
SHRI M. SHANMUGAM:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether farmers from Tamil Nadu have represented about procurement of copra and raw coconut from farmers directly by NAFED;
- (b) if so, the details and response thereof;
- (c) whether copra procurement price issued for the year 2024 was very low, as compared to cost of cultivation and if so, whether it will be increased;
- (d) whether NAFED issued direction not to auction the procured copra in the market at a lower price, leading to slash in prices, and instead process copra and to market as brand Bharat Oil; and
- (e) if so, the details thereof, and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI ARJUN MUNDA)

(a)&(b): Government implements Price Support Scheme (PSS) under PM-AASHA for procurement of Fair Average Quality (FAQ) of notified pulses, oilseeds & copra (milling & ball) through designated Central Nodal Agencies like National Agriculture Cooperative Marketing Federation of India Ltd. (NAFED) & National Cooperative Consumers' Federation (NCCF) as and when the market price of these commodities falls below the Minimum Support Price (MSP) based on the proposal received from state Govt. as per PSS guidelines. Besides, De-Husked Coconut are also procured at MSP fixed based on the MSP of FAQ variety of milling copra. No proposal has been received from Govt. of Tamil Nadu for procurement of copra (milling & ball) & De-Husked coconut under PSS for 2024 season.

(c): Government fixes Minimum Support Prices (MSPs) for twenty two (22) mandated crops including two varieties of Copra i.e. Copra (milling) and Copra (ball) on the basis of the recommendation of Commission for Agricultural Costs & Prices (CACP), after considering the views of concerned State Governments and Central Ministries/Departments and other relevant factors. While recommending MSPs, CACP considers important factors like cost of production, overall demand-supply situation of various crops in domestic and world markets, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sector, likely effect of price policy on rest of the economy and a minimum of 50 percent as the margin over cost of production.

The MSP of Fair Average Quality (FAQ) of milling copra and ball copra has been fixed at Rs.11160/- per quintal and Rs.12000/- per quintal for 2024 season respectively. This ensures a margin of 51.84 percent for milling copra and 63.26 percent for ball copra over all India weighted average cost of production as estimated by CACP.

(d) &(e): No sir. As per PSS guidelines, Central Nodal Agencies have to dispose off the procured commodities under PSS within 09 months from the date of closure of procurement. The stocks shall be disposed off through competitive bidding like e-auctions, open auction, using multiple online platforms etc. The disposal shall be carried out in most transparent and competitive manner well within the biological life of the procured stock and in the off season when the prices of the produced are usually high to secure highest price and minimum loss.
