

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
DEPARTMENT OF CONSUMER AFFAIRS

**RAJYA SABHA**  
**UNSTARRED QUESTION No. 1638**  
**TO BE ANSWERED ON 10.12.2024**

**BENEFITS TO FARMERS FROM THE RISING PRICES OF AGRICULTURAL PRODUCTS**

1638. SHRI SANJAY RAUT

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether it is a fact that the prices of agricultural products like onions, garlic and tomatoes have risen significantly, but farmers are not benefiting from these increases;
- (b) if so, the details thereof and the response of Government thereto to address this issue;
- (c) the specific steps Government has taken or proposed to ensure that farmers are benefited from the rising prices of agricultural products; and
- (d) the contingency plans in place to mitigate the impact of climate-induced fluctuations in crop yields on food prices?

**ANSWER**

THE MINISTER OF STATE, CONSUMER AFFAIRS,  
FOOD AND PUBLIC DISTRIBUTION  
(SHRI B.L VERMA)

(a) to (d) : Prices of vegetables are determined by the market forces of demand and supply as well as production/harvest season. The prices of vegetables are also influenced by factors such as disruptions in supply chain, functioning of mandis, adverse weather condition, labour, transportation etc. The government implements market information system where the prices of vegetables are collected through Agricultural Produce Market Committee (APMC) mandis and disseminated for its use by the farmers through Agmarknet portal, Mobile applications etc. for better price realization.

In order to tackle volatility in prices of agri-horticultural commodities, the government maintains buffer stocks of pulses and onion under Price Stabilisation Fund (PSF) for market interventions through calibrated and targeted releases to moderate the prices in the market. The procurement for the buffer gives support to farmers and calibrated release of stocks from the buffer are undertaken to ensure availability and affordability to the consumers.

Each year the Government of India announces Minimum Support Prices (MSPs) for 22 mandated agricultural crops for procurement at remunerative prices. Apart from MSP procurement, the government has introduced an arrangement for procurement of pulses for the price stabilisation buffer directly from pre-registered farmers at market price-linked rates. Similarly, in the procurement of onion, a non-MSP crop, for the buffer the procurement is done at prices which are linked to the prevailing market price.

The Union Budget, 2024-25 announced for comprehensive review of the agriculture research setup to bring the focus on raising productivity and developing climate resilient varieties. It was also announced that new 109 high-yielding and climate-resilient varieties of 32 field and horticulture crops will be released for cultivation by farmers.

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