

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

LOK SABHA
UNSTARRED QUESTION NO.816
TO BE ANSWERED ON THE 7TH FEBRUARY, 2017

IMPACT OF DEMONETISATION ON FARMERS

816. SHRI RAHUL SHEWALE:
SHRI DHARMENDRA YADAV:
SHRI ANANDRAO ADSUL:
DR. SHRIKANT EKNATH SHINDE:
SHRI VINAYAK BHAURAO RAUT:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether agriculture is the largest informal sector of Indian economy;
- (b) if so, whether the impact of demonetisation on agriculture has been assessed by the Government, if so, the details thereof;
- (c) whether it is a fact that price of crops has drastically gone down due to demonetisation and farmers are the worst affected by it and if so, the details thereof;
- (d) whether there is any proposal under consideration of the Government to give compensation to the affected farmers;
- (e) whether growth rate in farmers' income is projected to be lower due to drop in prices of perishables due to demonetisation; and
- (f) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI S.S. AHLUWALIA)

(a): As per 2011 census data, 54.6% of the total workers are engaged in the agricultural sector.

(b) & (c): The All India average wholesale prices of major agricultural commodities as on 8 November, 30 November, 15 December and 30 December, 2016 are as under:

(Rs. Per Quintals)					
Commodities	8 Nov, 2016	30 Nov, 2016	15 Dec, 2016	30 Dec, 2016	% change in 30 Dec. over 8 Nov16
Rice	2473	2541	2545	2544	2.9
Wheat	2152	2213	2214	2200	2.2
Gram Dal	11395	11562	11560	11404	0.1
Tur/ Arhar Dal	10969	10704	10355	9847	-10.2

Urad Dal	11061	10702	10341	9954	-10.0
Moong Dal	7607	7477	7430	7246	-4.7
Masoor Dal	7461	7389	7262	7093	-4.9
Potato	1655	1463	1286	1135	-31.4
Onion	1156	1230	1178	1103	-4.6

Source: Deptt. of Consumer Affairs.

The prices of agricultural commodities are determined by the market forces of supply and demand, quality of produce, seasonality etc. There is no direct link between demonetization and prices of agricultural commodities.

(d): No, Madam. However, Government has taken several steps to ease the pressure on farmers due to the recent demonetisation. These include, inter-alia, enhancement of withdrawal limit for farmers to upto Rs. 25,000/- per week in cash from their loan (including Kisan Credit Card limit) or deposit accounts; interest waiver of 60 days (November and December, 2016) on all short term loans availed from Cooperative Banks between 01.04.2016 to 30.09.2016; additional grace period of 60 days as prompt repayment incentive @ 3% for farmers whose crop loan dues fall between 01.11.2016 to 31.12.2016 etc.

(e) & (f): The income of farmers /agricultural households in the country is estimated by the National Sample Survey Office (NSSO) through the "Situation Assessment Survey of Agricultural Households" conducted from time to time. The NSSO had conducted the survey in 2003 and 2013.
