

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.673**  
TO BE ANSWERED ON THE 19<sup>TH</sup> DECEMBER, 2017

**MARKET PRICE STABILIZATION FUND**

673. SHRI NAGENDRA KUMAR PRADHAN:  
ADV. JOICE GEORGE:  
DR. A. SAMPATH:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ऋदुशुआओा एवं किसान कल्याण ½ãâããè be pleased to state:

- (a) whether the Government has taken any decision to implement recommendations of Swaminathan commission Report to address the problems of the marginal and small farmers and to provide them pension and other benefits and if so, the details thereof;
- (b) whether the recommendation of MS Swaminathan Commission on Farmers to set up a Market Price Stabilisation Fund jointly by Union and State Governments and financial institutions to protect farmers during periods of violent fluctuations in prices remains unheeded and if so, the details thereof and the reasons therefor;
- (c) whether such a fund can be set up either from the market surpluses or through an exclusively created fund for this purpose by the Government and if so, the details thereof;
- (d) whether the farmers are vulnerable to international price fluctuations in the country with negative reverberations and if so, the details thereof; and
- (e) whether the Government is planning to initiate price stabilization fund for all agricultural produces in the country and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

ऋदुशुआओा एवं किसान कल्याण ½ãâããè½ã ½ãñà Àã¼ã ½ãâããè ( SHRI PARSHOTTAM RUPALA)

(a): Based on the 'Draft National Policy for Farmers', submitted by the Swaminathan Commission, the Government approved the National Policy for Farmers (NPF)-2007, which aims to improve economic viability of farming and increase net income of farmers.

An Inter-Ministerial Committee (IMC) identified 201 Action Points, where necessary action had to be taken. Of the 201 number of action points identified, 192 numbers have already been implemented as of date.

With a view to provide social security to the workers in the unorganized sector, the Central Government is implementing several Social Security Schemes such as Indira Gandhi National Old Age Pension Scheme, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Rashtriya Swasthya Bima Yojana, Aam Admi Bima Yojana, Atal Pension Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana etc., which are also available to farmers including small and marginal farmers.

(b) & (c): As far as farmers are concerned, there is provision of procurement of paddy & wheat at Minimum Support Price (MSP) through Food Corporation of India (FCI). In addition, procurement of oilseeds, pulses and cotton are undertaken by central agencies at MSP under Price Support Scheme (PSS) at the request of the concerned State Government which agrees to exempt the procured commodities from levy of mandi tax and assist central nodal agencies in logistic arrangements.

Government also implements the Market Intervention Scheme (MIS) for procurement of agriculture & horticulture products, which are perishable in nature and are not covered under PSS. The condition is that there should be either at least a 10 percent increase in production or a 10 percent decrease in the ruling market prices over the previous normal year. The MIS is implemented at the request of a State/UT Government, which is ready to bear 50% of the loss (25% in case of North-Eastern States), if any, incurred on its implementation.

From the perspective of consumers, to mitigate hardship under circumstances of spurt in prices, the Government is implementing the Price Stabilization Fund (PSF) for pulses, potato & onion.

(d): Vulnerability of farmers depend on various factors. Fluctuations in international markets do not adversely affect farmers in all cases. The Government takes steps, when necessary.

(e): Price Stabilization mechanism already exists as outlined in para (b) and (c) above.