

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

LOK SABHA
UNSTARRED QUESTION NO.605
TO BE ANSWERED ON THE 6TH FEBRUARY, 2018

FARMERS AGITATION FOR REMUNERATIVE PRICES

605. SHRI RAJU SHETTY:
DR. P.K. BIJU:

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

- (a) whether the Government is aware of the agitation started by 187 different farmers organisations in the country on the major demand for total debt free farmers and one and half time more minimum support price for all agricultural produce, if so, the details thereof along with the reaction of the Government thereto;
- (b) whether this agitation started by these farmers organisations is spreading largely throughout the country, if so, the details thereof;
- (c) whether the Government has assured the farmers to get one and half time more returns for their farm produce as compared with actual production cost; and
- (d) if so, the time by which the Government is implementing the same?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SEKHAWAT)

(a) to (d): During the past few months, incidents of unrest among farmers have come to the notice of the Government specially in the States of Maharashtra, Madhya Pradesh & Tamilnadu. The demands of the farmers inter-alia includes that the waiver of farm loans, the enhancement in Minimum Support Price (MSP) in line with the MSP should be one and half times more than the cost of production, etc.

Regarding the farmers' demand for fair and remunerative prices, it is stated that the recommendations of National Commission on Farmers (NCF) headed by Dr. M. S. Swaminathan, that the Minimum Support Price (MSP) should be at least 50% more than the weighted average cost of production has not been included in the National Farmers Policy, 2007. The Government fixes MSP on the basis of recommendations of the Commission for Agricultural Costs and Prices (CACP). CACP recommendations in this regard is based on objective criteria, considering host of relevant factors and prescribing an increase of 50% of the cost, may affect inter-crop parity and distort market mechanism. However, the return over weighted average cost of production (A2+FL) for MSP's fixed by the Government for 2017-18 has been in excess of 50% in many crops with return of 112.4% for wheat, 88.4% for rapeseed/mustard, 79.6% for masur, 78.8% for gram, 66.9% for barley, 65.4% for urad, 64.3% for tur and 62.0 for jute and 50.2% for bajra.

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To ensure remunerative prices for farmers, Government has taken several steps which include setting up of procurement centres keeping in view the potential in the areas; creating awareness among the farmers of the MSP operations; encouraging decentralized procurement; adopting e-procurement system; engaging private players in certain states to participate in procurement operations, implementing e-National Agriculture Market, promoting Farmer Producer Organization (FPOs) etc. In addition, Government operates Price Support Scheme (PSS) to ensure that remunerative prices are paid to farmers. In addition, Government has taken various initiatives to increase farm productivity for ensuring higher returns to farmers. The Government has also constituted an inter-ministerial committee to recommend appropriate strategy to double the income of farmers by 2022.

In the Union Budget 2018-19, the Government has announced the pre-determined principle to keep MSP atleast at levels of one and half times the weighted average cost of production.
