

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

LOK SABHA
UNSTARRED QUESTION NO. 87
TO BE ANSWERED ON THE 11TH DECEMBER, 2018

MINIMUM SUPPORT PRICE

87. SHRI FEROZE VARUN GANDHI:

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

(a) whether the Government is aware that in Madhya Pradesh and Rajasthan, farmers are getting less than the Minimum Support Price (MSP) for kharif crops such as tur and soyabean except paddy and if so, the measures being taken to contain farmers' distress in this regard;

(b) the reasons for not adopting the MSP formula recommended by the Swaminathan Commission despite promises for the same;

(c) whether the Government is aware of the drought like conditions prevailing in the Nashik district of Maharashtra and the demands of the farmers during the protest march;

(d) if so, the measures proposed or taken by the Government in co-ordination with the State Government of Maharashtra; and

(e) whether the Government is planning to come out with any proposal for helping farmers find mechanical alternatives to crop-burning in the States of Punjab and Haryana and 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 PARSHOTTAM RUPALA)

(a): Under the present procurement mechanism of Price Support Scheme (PSS), Government agencies procure the notified pulses and oilseeds of Fair Average Quality (FAQ) at Minimum Support Price (MSP) directly from farmers in consultation with the concerned State Governments / Union Territories as and when market price of these commodities fall below the MSP. The payments to the farmers are made through Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT) and account payee cheque by the procuring agencies. However, if farmer gets better price in comparison to MSP, they are free to sell their produce in open market. In the State of Rajasthan, sanctions for procurement of present Kharif pulses and oilseeds including soyabean have been granted as per the prescribed guidelines of PSS. In the state of Madhya Pradesh, for the farmers to get MSP of Soyabean, sanction has been granted as per the prescribed guideline of Price Deficiency Payment Scheme (PDPS). For procurement of Tur in Madhya Pradesh, sanction has been granted as per the prescribed guidelines of PSS.

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(b): National Commission on Farmers headed by Dr. M.S. Swaminathan submitted its report in 2006. One of the recommendations of Commission was that MSP should be at least 50 percent more than the weighted average cost of production. This recommendation was not incorporated in the National policy for Farmers 2007. However, recently Government has increased the MSP for all Kharif and Rabi crops and other commercial crops for the season 2018-19 with a return of atleast 50 percent over cost of production.

(c) & (d): Government of Maharashtra declared drought in 26 districts, including Nashik during Kharif 2018. In response, Government of India has constituted an Inter Ministerial Central Team (IMCT) for assessing the drought situation in the State.

(e): Government has introduced a new Central Sector Scheme on 'Promotion of Agricultural Mechanization for In-Situ Management of crop residue in the States of Punjab, Haryana, Uttar Pradesh and NCT of Delhi' for the period from 2018-19 to 2019-20 with the total outgo from the Central funds of ₹ 1151.80 crore. The details of the scheme is at Annexure-I.

Annexure-I

Department of Agriculture, Cooperation & Farmers Welfare has introduced a new Central Sector Scheme on promotion of Agricultural Mechanization for in-Situ Management of Crop Residue in the States of Punjab, Haryana, Uttar Pradesh and NCT of Delhi for the period from 2018 - 19 to 2019 - 20 has been introduced with the total outgo from the Central funds of ₹ 1151.80 crore (₹ 591.65 crore in 2018-19 and ₹ 560.15 crore in 2019-20).

The scheme has the following components (100% Central Share)

(i) Establish Farm Machinery Banks for Custom Hiring of in-situ crop residue management machinery- financial assistance @ 80% of the project cost is provided to the Co-operative Societies of farmers, FPOs, Self-Help Groups, registered Farmers Societies / farmers group, Private Entrepreneurs. Group of women farmers or self-help groups for establishment of farm machinery banks or custom hiring centres of in-situ crop residue management machinery.

(ii) Financial Assistance to farmers for procurement of Agriculture Machinery and Equipment for in-situ crop residue management- financial assistance @ 50% of the cost of machinery / equipment is provided to individual farmers for purchase of machinery/ equipment for crop residue management.

(iii) Information, Education and Communication for awareness on in-situ crop residue management- financial assistance's provided to the State Governments, KVKs, ICAR Institutions, Central Government Institutions, PSUs etc. for the activities to be undertaken towards information Education and Communication (IEC)

Funds Released: (₹ in Crore)-2018-19

States / Agency	Establishment of CHCs	Distribution of machinery	IEC activities	Flexi Funds/Admn. Expenses	Total
Punjab	176.00	71.30	16.80	5.28	269.38
Haryana	72.00	41.50	21.64	2.70	137.84
Uttar Pradesh	37.58	95.27	12.84	2.91	148.60
ICAR	0	0	19.36	0	19.36
Total	285.58	208.07	70.64	10.89	575.18
