

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

LOK SABHA
UNSTARRED QUESTION NO.1591
TO BE ANSWERED ON THE 12TH FEBRUARY, 2019

PLANS FOR FAIR REMUNERATION AND COMPENSATION TO FARMERS

1591. SHRI AJAY MISRA TENI:

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

- (a) whether the Government has prepared/intends to prepare any plan to enable farmers to get fair price and to recover from losses while keeping in mind the problems of farmers growing vegetables and sugarcane including falling prices and high production cost;
- (b) if so, the benefits likely to be availed by the farmers; and
- (c) if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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

(a) to (c): As per the provisions of Sugarcane(Control) Order, 1966, the sugar mills are required to purchase sugarcane from cane farmers at a Fair and Remunerative Price (FRP) fixed by the Central Government, which is the minimum bench mark price below which sugar mills cannot purchase cane from the cane growers. The FRP is decided on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after consulting the State Governments and associations of sugar industry.

Accordingly, FRP for 2018-19 sugar season has been fixed at Rs 275 per quintal linked to a basic recovery of 10% subject to a premium of Rs 2.75 per quintal for each 0.1 % increase of recovery over and above 10 % and reduction in FRP at the same rate for each 0.1 % decrease in the recovery rate till 9.5%. With a view to protect interest of farmers the Government has decided that there shall not be any deduction in case where recovery is below 9.5%, such farmers will get Rs 261.25 per quintal for sugarcane in the current season 2018-19.

Steps taken by the Government to ensure remunerative prices to the farmers producing horticulture crops including vegetables and sugarcane are as under:

- Farmers are mobilized in to Farmer Producer Organisations (FPOs) for aggregation and economies of scale. Efforts are being made to link FPOs to market by way of direct marketing farmer consumer markets/apni mandi and e-markets.
- Assistance is also provided for development of post harvest management and marketing infrastructure such as cold storages, cold room, packaging and grading house, reefer vehicles, , primary and wholesale markets, kisan mandies etc.
- Farmers are made aware of the processing facilities/mega food parks nearby and processable varieties of horticulture crops.
- Government implements Market Intervention Scheme (MIS) in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production. Losses, if any, incurred by the procuring agencies are shared by the Central Government and the concerned State Government on 50:50 basis (75:25 in case of North-Eastern States). Profit, if any, earned by the procuring agencies is retained by them.

Sugarcane

- To enhance production and productivity of sugarcane in the country, Government has been implementing Sugarcane Development Programme under National Food Security Mission - Commercial Crops (NFSM-CC) in 13 major sugarcane growing states of the country viz. Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Punjab, Telangana, Tamil Nadu, Uttarakhand and Uttar Pradesh from 2014-15. Under this scheme thrust has been given on transfer of technology through frontline demonstrations and training in order to extend benefits to the farmers. The components under NFSM-CC Sugarcane include demonstration on inter-cropping and single bud chip technology with sugarcane, assistance for breeder seed production, production / supply of tissue culture plantlets/seedlings, distribution of plant protection chemicals and bio-agents, etc.
- The states can also support Sugarcane Development Programme under Rashtriya Krishi Vikas Yojana (RKVY) with the approval of State Level Sanctioning Committee (SLCC).
- The Central Government also provides loans from Sugar Development Fund (SDF) at concessional rates to sugar mills for cane development thereby benefiting sugarcane farmers.