

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

LOK SABHA
UNSTARRED QUESTION NO.4993
TO BE ANSWERED ON 23RD JULY, 2019

VOLATILE PRICES FOR AGRICULTURAL COMMODITIES

4993. SHRI PARVESH SAHIB SINGH:

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

- (a) whether there is acute problem for farmers of highly volatile and low prices of agricultural commodities across States including Delhi and if so, the steps taken by the Government in this regard;
- (b) whether the Government plans to introduce reforms with regard to Agricultural Produce Marketing Committee across India including Delhi and if so, the details thereof; and
- (c) whether the Government is taking steps to introduce "E-Mandis" across India to make the agriculture marketing process transparent and farmer friendly, if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) The prices of agricultural produce are determined by supply and demand conditions in the market on a day-to-day basis. Price of agricultural produce tends to fall after the harvesting season due to increase in market arrival of new crop in a lumpy manner. There is no general indication that farmers are getting low prices for their produce. The all India average annual wholesale prices are more or less close to the level of Minimum Support Prices (MSP) for MSP crops. A statement showing all India wholesale prices and MSP of major agricultural crops is given at **Annexure**.

Government fixes the Minimum Support Prices (MSPs) of 22 mandated agricultural crops and Fair and Remunerative Prices (FRP) for sugarcane based on the recommendations of the Commission for Agricultural Costs & Prices (CACP). These crops cover 99% of agricultural output.

As announced in the Union Budget 2018-19, the Government has increased the Minimum Support Prices (MSPs) for all mandated Kharif & Rabi Crops and other commercial crops for the season 2018-19 with a return of at least 50 percent over cost of production. Government offers to procure mandated agricultural produce at MSP as well as supports farmers price received in the Mandies through Price Deficiency Payment Scheme on the basis of the proposals received from State Governments concerned. Government is also implementing Market Intervention Scheme (MIS) on the request of the State/UT Government for procurement of agricultural and horticultural commodities, generally perishable in nature, and not covered under the price support scheme for MSP.

(b): In order to provide better marketing facilities to the farmers, the Government has released a new model “The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017” in April 2017 for its adoption by States/ UTs. The model act provides for alternative marketing channels such as setting up of private markets, direct marketing, farmer-consumer markets, special commodity markets, to facilitate farmers in marketing their produce at competitive & remunerative prices.

Further, In order to optimize the use of scarce resources and mitigate the uncertainty in price and marketing, the Government has formulated and released a progressive and facilitative Model Act “The State/ UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018” in May, 2018 for its adoption by the states/Union Territories. The aforesaid Model Contract Farming Act covers the entire value and supply chain from pre-production to post harvest marketing including services contract for the agricultural produce and livestock.

(c): Three reforms are mandatory for States/Union Territories in their respective State Agricultural Produce Market Committee (APMC) Acts for integrating their mandis with e-NAM platform i.e. (i) Provision for e-trading, (ii) Single point levy of market fee, (iii) Unified Single trading license for the State. States without APMC Act need to provide legally enforceable guidelines and institutional mechanism for implementing e-NAM. Based on the proposals received from the compliant States/Union Territories, mandis are considered for integration by Government of India with e-NAM platform. Government of India provides assistance to the States, such as free access to e-NAM platform, financial assistance for computer hardware, electronic weighing scale, assaying equipments and networking. So far, 585 wholesale regulated markets of 16 States and 02 UTs have been integrated with e-NAM platform.

ANNEXURE**All India Average Monthly Wholesale Prices and Minimum Support Prices (MSP) of Major Agricultural Crops**

(Rupees/Quintal)

Commodity	MSP 2018-19	April, 2019	May, 2019	June, 2019
Paddy	1750	1780	1793	1787
Bajra	1950	2171	2207	2149
Barley	1440	1745	1795	1816
Gram	4620	4679	4796	4676
Jowar	2430	2637	2625	2678
Maize	1700	1943	1973	1977
Ragi	2897	2715	2690	2731
Wheat	1840	2108	2120	2116
Arhar Whole	5675	5108	5557	5521
Masur Whole	4475	4768	4902	4932
Moong Whole	6975	5952	6211	6353
Urad Whole	5600	5230	5441	5397
Groundnut	4890	5035	5132	5386
Copra	9521*	11148	10583	10258
Kardiseed	4945	3757	4047	4332
Mustard Seed	4200	3978	4073	4071
Nigerseed	5877	4732	4700	4648
Sesamum Seed	6249	9883	9782	9922
Soyabean	3399	3675	3742	3701
Sunflower Seed	5388	3705	3567	3508
Cotton/Kapas	5150	5785	5839	5836
Jute Raw	3700	4259	4336	4289
Potato	Not fixed	1074	1149	1187
Onion	Not fixed	1114	1315	1587
Tomato	Not fixed	2060	3273	2320

* For the calendar year
