

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

LOK SABHA
UNSTARRED QUESTION NO. 3797
TO BE ANSWERED ON THE 21ST DECEMBER, 2021

FLUCTUATION IN AGRICULTURAL PRICES

3797. SHRI PARTHIBAN S.R.:

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

- (a) whether the Government has evolved any mechanism to assess losses to farmers on account of price fluctuations of agricultural produces; and
- (b) if so, the details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): The procurement of paddy and wheat at MSP is done through the Food Corporation of India (FCI) and State Agencies. Under this policy, food grains offered by farmers within the stipulated period and conforming to the specifications prescribed by Government are purchased at Minimum Support Price (MSP) by the State Government agencies including FCI for Central Pool. It aims to service the National Food Security Act (NFSA) and other welfare schemes of the Government so that subsidized food grains are supplied to the poor and needy, and to build up buffer stocks of food grains to ensure food grain security. Further, different types of nutri-cereals and maize are procured by State Governments in consultation with FCI to the extent that the concerned State Government may utilise the same for distribution under Targeted Public Distribution System (TPDS) as well as Other Welfare Schemes (OWS).

Oilseeds, Pulses and Copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA), as per its prescribed guidelines at MSP in consultation with the concerned State Government. Under PM-AASHA, States / UTs are offered to choose either Price Support Scheme (PSS) or Price Deficiency Payment Scheme (PDPS) in a given procurement season with respect to particular oilseeds crop for the entire State. Further, States have the option to roll out Private Procurement and Stockist Scheme (PPSS) on pilot basis for MSP notified oilseeds crops in district / selected APMC(s) of district involving the participation of private agencies. Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI).

For making effective procurement by government agencies at MSP and providing maximum benefits of MSP to the farmers, procurement centres are opened by respective State Government Agencies and Central Nodal Agencies like NAFED, FCI etc. after taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. large number of the purchase centres in addition to the existing Mandis and depots / godowns are also established at key points for the convenience of farmers.

Under Market Intervention Scheme, on the request of concerned state/UT Govt, procurement of perishable agriculture and horticulture crops are done to protect the growers of these commodities in the event of a bumper crop during the peak arrival period. 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.
