

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

LOK SABHA
UNSTARRED QUESTION NO. 4926
TO BE ANSWERED ON THE 1ST APRIL, 2025

PRICE DEFICIENCY PAYMENT SCHEME

4926. SHRI NAVASKANI K :
SHRI SELVAM G :
SHRI C N ANNADURAI :

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

(a) the total number of farmers who have received payments under the Price Deficit Payment Scheme (PDPS) since its inception;

(b) the total amount disbursed to farmers under this scheme alongwith the average time taken to process and disburse payments to eligible farmers;

(c) the common challenges faced in the implementation of PDPS and the steps taken to address them;

(d) the extent to which PM-AASHA has contributed to stabilizing and enhancing farmers' income;

(e) the monitoring mechanisms in place to ensure the effective implementation of PM-AASHA across States;

(f) the frequency of reviews conducted by the Ministry to assess the scheme's progress;

(g) the key performance indicators used to evaluate the success of the scheme; and

(h) the corrective measures taken based on the findings from these monitoring activities?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): Price Deficit Payment Scheme (PDPS) envisages the direct payment of the price difference between the MSP and the selling / modal price in notified market upto 15% of MSP value (including 2% administrative cost) by the Central Government to the pre-registered farmers selling the oilseeds upto 40% of its production to the prescribed Fair Average Quality (FAQ) in the notified market yard through a transparent auction process within the stipulated period. However, the States/UTs have the option to implement either Price Support Scheme (PSS) or PDPS for the particular oilseeds for the particular year/season. If any State is willing to cover quantities beyond 40%, they can do so from it's resources.

A total number of 6,20,945 farmers have been benefitted under Price Deficiency Payment Scheme (PDPS), a component of Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA), since its inception. The scheme was implemented in the state of Madhya Pradesh during Kharif 2018-19 season for Soyabean crop and farmers were provided the MSP value of Rs. 5,719.50 crore.

(c) to (h): PDPS is a component of PM-AASHA of which Price Support Scheme (PSS) is also a component. The aim and objectives of PM-AASHA with its component of PSS and PDPS is to ensure MSP to farmers for their produce of notified pulses and oilseeds & copra of Fair Average Quality (FAQ) as and when the market price of these commodities fall below the MSP during the peak harvesting period so that farmers do not have to resort to distress sale. PSS is implemented for procurement of notified pulses and oilseeds & copra. Under PM-AASHA, States / Union Territories are offered to choose either PSS or PDPS in a given procurement season with respect to particular notified oilseeds crop for the entire State. The details of the farmers who benefited from selling their produce of notified pulses and oilseeds & copra at MSP during the last 20 years is given at Annexure.

PDPS does not involve any physical procurement but envisages direct payment of the difference between the MSP and the selling / Modal price to pre-registered farmers selling the oilseeds crops of prescribed FAQ norms within the stipulated period in the notified market yard through a transparent auction process. As per the scheme guidelines, all the payments will be done directly into the bank account of farmers. To ensure the implementation/procurement operations in a smooth and transparent manner there is a provision of online registration, timely payments to farmers strictly through Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT) and active association of State Governments/Union Territories under this scheme. The Government has its own mechanism at Central and State Level to monitor the implementation of PM-AASHA.

To strengthen the procurement operations and to ensure smooth implementation of PM-AASHA Scheme, several measures have been taken by the Government as follows:

(i) For making effective implementation of PM-AASHA and providing maximum benefits of MSP to the farmers, procurement centres are opened by respective State Government Agencies and Central Nodal Agencies like National Agricultural Co-operative Marketing Federation of India Limited (NAFED), National Co-operative Consumer's Federation of India Limited (NCCF) etc. after taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. In addition to the existing Mandis and depots/godowns, a large number of procurement centres were also set up at key points for the convenience of farmers.

(ii) Government guarantee has been enhanced to Rs. 45,000 crore to provide maximum working capital to Central Nodal agencies like NAFED and NCCF.

(iii) The farmers are being registered on eSamridhi Portal of NAFED and eSanyukti portal of NCCF through Aadhar Based registration for selling their produce.

(iv) Messages via SMS and Whataspp are delivered to the farmers to make them aware about the procurement to be undertaken by various agencies of the Government.

(v) Agmarknet Portal for daily purchase rates of commodities to make them aware about the current market price while selling their produce.

(vi) Land Records of the farmers are fetched directly from State land records.

(vii) Procurement of notified Pulses and Oilseeds& Copra under PSS has been enhanced to 25% of the National Production from existing 25% of the State production.

(viii) In order to encourage the States / UTs to opt for PDPS, the Government has taken some corrective measures under the scheme. The implementation period of the scheme has been extended from 90 days to 120 days. Further, the support of Central Government has been enhanced from 25% to 40% of the state production for that particular marketing season/year.

(ix) The limit of purchase of the produce from a farmer in a one single day has been enhanced to 40 Quintal from the existing 25 quintals.

(x) MSP for crops is transferred to the bank accounts of the farmers directly.

Annexure

Details of procurement of Pulses and oilseeds & copra under MSP operation from 2004-05 to 2013-14 and 2014-15 to 2024-25 (as on 20.03.2025)

Pulses

| Details | 2004-05 to 2013-14 | 2014-15 to 2024-25 | Percentage (%) growth during the period 2014-15 to 2024-25 compared to 2004-05 to 2013-14 |
|-----------------------------|--------------------|--------------------|---|
| Quantity Purchased (in LMT) | 6.29 | 174.42 | 2671% |
| MSP value (Rs. in crores) | 1,936.33 | 94,265.31 | 4768% |
| Farmers Benefitted * | - | 96,40,987 | - |

Oilseeds & copra

| Details | 2004-05 to 2013-14 | 2014-15 to 2024-25 | Percentage (%) growth during the period 2014-15 to 2024-25 compared to 2004-05 to 2013-14 |
|-----------------------------|--------------------|--------------------|---|
| Quantity Purchased (in LMT) | 50.64 | 125.76 | 148% |
| MSP value (Rs. in crores) | 10,261.72 | 65,967.48 | 543% |
| Farmers Benefitted * | - | 54,57,030 | - |

* Data of beneficiaries is being collected from 2016-17.
