

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:317
ANSWERED ON:02.08.2011
FIXATION OF SEEDS PRICES
Solanki Shri Makhansingh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether any task force has been constituted for fixing the prices of seeds produced by private companies;
- (b) if so, the details thereof;
- (c) whether due to non-fixation of prices of seeds produced by private companies, poor tribal farmers are unable to purchase seeds of improved quality;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to fix the prices of seeds produced by the private companies so as to make it possible for the poor and the tribal farmers to purchase the improved seeds at fair prices?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

- (a) & (b): There is no task force constituted for fixing the prices of seeds produced by the private companies;
- (c) & (d): No, Madam. The farmers including poor tribal farmer are getting quality seeds of improved varieties from the State Seeds Corporations, National level seed producing agencies and private firms at reasonable price.
- (e): There is no provision in the Seeds Act 1966 for price regulation. Seed is an essential commodity in terms of Seed (Control) Order 1983 issued in exercise of powers available under Essential Commodities Act, 1955 but the same is for purposes of quality control only. Price regulation is not provided for. This is primarily because seed development and production, particularly of low value high volume crops has been largely in the domain of the public sector. Of late, the private sector seed industry has grown and is quite active in the production of low volume high value seeds. In a situation when most of the sectors of the economy are opening up it will not serve public purpose to exercise control over seed industry except in matters of quality. Further, it is the policy of the Government to encourage public-private partnership and create a conducive environment for growth of seed industry. After having established itself in low volume high value seeds, the private sector seed industry is now diversifying into low value high volume seeds like those of cereals. It is playing a vital role in seed exports. Imposition of price control will undermine the conducive environment that exists now for developing a competitive and vibrant seed industry that is able to serve the interests of the farmers by ensuring timely availability of quality seeds at reasonable prices. A free and competitive market environment will spur the further growth of the seed industry.