

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3859

ANSWERED ON:04.09.2012

PROMOTION AND PROTECTION OF POTATO CROPS

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Union Government is implementing a Centrally Sponsored Scheme for the promotion and protection of potato crops;
- (b) if so, the details thereof;
- (c) whether there is a huge difference in the retail price and production cost of potato in the country;
- (d) if so, the details thereof along with the reasons therefor; and
- (e) the remedial measures taken by the Government in this regard?

Answer

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

(a) & (b): The Union Government is implementing Centrally Sponsored Schemes namely Horticulture Mission for North East and Himalayan States (HMNEH) and National Horticulture Mission (NHM) in the remaining States of the country for enhancing production and productivity of horticulture crops including potato. Under these missions, assistance is provided for establishment of nurseries, seed production of vegetables, enhancing quality production and productivity of horticulture crops through area expansion, protected cultivation, integrated nutrient, pest and water management, mechanization, Human Resource Development, etc.

Department of Agriculture and Cooperation has launched a new programme on Vegetable Initiative for Urban Clusters (VIUC) during 2011-12 under the aegis of Rashtriya Krishi Vikas Yojana (RKVY) for addressing all concerns relating to demand and supply of vegetable sector in selected cities. The scheme is being implemented in one city covering each of 29 States which either has a population of one million and above or is a Capital City of the State with the exception of Jammu & Kashmir, where two cities are covered under VIUC.

(c) to (e): The wholesale price of potato varies from Rs.850 to 2000 per quintal in different markets and the production cost is around Rs.200 to 300 per quintal. The price of vegetables including potato is primarily governed by the market forces of demand and supply. In addition, it also depends on prevailing weather conditions, cost of transportation, storage and rising demand due to increasing incomes, urbanisation, etc. DAC is implementing Market Intervention Scheme (MIS) on request of State/ UT Governments for procurement of various horticultural commodities. The purpose of implementation of MIS is to protect the growers from making distress sales in the event of a bumper crop when there is glut in the market, causing prices to fall below economic levels/ cost of production. Losses, if any, incurred by the procuring agencies are shared equally between the Central Government and the State Government concerned on 50:50 basis (75:25 in case of North-Eastern States).

MIS has been implemented in Uttar Pradesh for procurement of 1 lakh MT of potato at the Market Intervention Price of Rs.305 per quintal w.e.f. 12.03.2011 to 11.04.2011 and again for procurement of 1 lakh MT of potato at the Market Intervention Price of Rs. 328 per quintal w.e.f. 10.2.2012 to 10.03.2012 during the 2011-12 season.