

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:890
ANSWERED ON:27.11.2012
REMUNERATIVE PRICES FOR POTATO
Thakur Shri Anurag Singh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government is aware that the farmers of the country including Punjab are not getting remunerative prices for agricultural produce including potato and are not in a position to bear the expenses of transportation;
- (b) if so, the details and the reaction of the Government thereto;
- (c) whether it is a fact that middlemen sold the foodgrains, fruits and vegetables at a very high rate;
- (d) if so, the details thereof; and
- (e) the remedial steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) to (d): The Government fixes Minimum Support Prices (MSPs) of various crops on the recommendations of the Commission for Agricultural Costs & Prices (CACP), the views of concerned State Governments and Central Ministries/Departments to ensure a minimum return to the growers. If the market offers higher prices, farmers are free to sell there. With regard to perishable commodities like potato, Government operates Market Intervention Scheme (MIS). The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the cost of production, on the specific request of the State/UT Government under this scheme.

Prices of agricultural commodities, including potato by and large are governed by the market forces of demand and supply. In addition to this, it also depends on prevailing weather conditions, cost of transportation, cold storage costs, role of middlemen, speculation on impending shortage of food items due to drought situation and rising demand due to increasing incomes, urbanisation, etc.

(e): To provide remunerative returns to the farmers in the country including Punjab and to ensure adequate supply of fruits and vegetables to the consumers, Department of Agriculture & Cooperation (DAC) provides assistance to the farmers under National Horticulture Mission and Horticulture Mission for North East and Himalayan States (HMNEH). The infrastructure facilities created under the Mission have helped in production and supply of quality planting material and also in improving the production and productivity of horticulture crops.

Further, Department of Agriculture and Cooperation has launched a scheme on Vegetable initiative for Urban Cluster (VIUC) with an outlay of Rs. 300.00 crore, during 2011-12, within the overall aegis of the Rashtriya Krishi Vikas Yojana (RKVY). The scheme aims to cover one city in each State during the 2011-12, which is either the State capital or any other city with a population of over one million. In case, any State there is no city which satisfies this criteria, then other urban cluster closer to one million population is selected for the purpose. The scheme is being continued during 2012-13 with an outlay of Rs. 300.00 crore.

With regard to increasing production and productivity of foodgrains crops, Government is implementing various Programmes such as National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY), Bringing Green Revolution in Eastern India (BGREI), etc.