

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3226

ANSWERED ON:11.02.2014

REMUNERATIVE PRICES FOR AGRICULTURAL PRODUCE

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**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the farmers have received remunerative price for their produce under the agricultural price policy keeping in view the high inflation during each of the last three years and the current year;
- (b) if so, the details thereof; State-wise including Odissa;
- (c) whether the Price Support Scheme (PSS) for procurement of oilseeds, pulses and cotton has been implemented across the country;
- (d) if so, the details of procurement of farmers' produce under the said scheme when the prices of the produce fell below the Minimum Support Price during the said period; and
- (e) the other corrective steps taken/being taken by the Government to provide adequate remunerative price to farmers for their produce?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) & (b): Government fixes Minimum Support Price (MSP) for the major agricultural produce on the recommendation of the Commission for Agricultural Costs & Prices (CACP) to ensure remunerative prices to farmers. While formulating its recommendations on price policy, CACP considers a number of important factors which include, inter alia, cost of production, changes in input prices, trends in market prices, demand and supply situation, effect on general price level, effect on cost of living etc. MSPs are uniform for all the States including Odisha. Minimum Support Prices fixed by the Government since 2010-11 is at Annexure I.

(c) & (d): Procurement of pulses, oilseeds and cotton is undertaken by the designated Central and State level agencies, viz. National Agricultural Cooperative Marketing Federation of India Limited (NAFED), National Cooperative Consumers' Federation (NCCF), Central Warehousing Corporation (CWC), Small Farmers Agri- Business Consortium (SFAC) and Cotton Corporation of India (CCI) to ensure MSP, if the prices fall below MSP. Procurement of pulses, oilseeds and cotton since 2010-11 is at Annexure II.

(e): To facilitate better price realization by the farmers, reduce intermediaries and avoid exploitation by them a model Agricultural Produce Marketing (Development and Regulation) Act, 2003 was circulated for its adoption by States/UTs. The model Act provides for direct purchase of agricultural produce from farmers by processors/exporters/bulk buyers etc., direct sale of produce by the farmers to consumers, contract farming, e-marketing etc. so as to reduce the role of intermediaries. Model Act also provides for rationalization of market fee, no commission charges from agriculturist and payment to the farmers on the date of sale itself.

In addition, Government is implementing Market Intervention Scheme (MIS) for agricultural and horticultural commodities not covered under the Price Support Scheme. The MIS is implemented on the request of State/UT Government 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.