

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:5740
ANSWERED ON:28.04.2015
PRICES OF FOOD PRODUCTS
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers in the country have benefited from both increased production and higher price realization for their products during the last decade;
- (b) if so, whether this phase is coming to an end as a result of crash in global prices of agricultural products like cereals, pulses, oils and sugar; and
- (c) if so, the details thereof and the remedial steps proposed in this regard indicating the global and domestic price trends in the said products?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MOHANBHAI KUNDARIA)

(a) to (c): Yes, Madam. During the last decade, farmers in the country have benefited from significant increase in the production/productivity of major agricultural crops as well as from higher price realization for their produce.

As per data from Food and Agriculture Organization (FAO), prices of sugar, cereals and vegetable oils have fallen from March 2014 to March 2015. In the case of India, as per Wholesale Price Index (WPI) price of pulses increased between March 2014 and March 2015, while price of sugar, cereals, oilseeds and edible oils fell during this period. Comparison of the international and Indian data sets is not possible on account of different base years and different methodology used.

Government seeks to ensure remunerative prices to growers of major agricultural commodities such as cereals, pulses and oilseeds through Minimum Support Prices (MSP) and Fair and Remunerative Prices (FRP) for sugarcane. Government offers to purchase at MSP, however, farmers are free to sell to Government agencies or in the open market as is advantageous to them.