

**GOVERNMENT OF INDIA  
AGRICULTURE AND FARMERS WELFARE  
LOK SABHA**

UNSTARRED QUESTION NO:816

ANSWERED ON:07.02.2017

Impact of Demonetisation on Farmers

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**Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:**

- (a) whether agriculture is the largest informal sector of Indian economy;
- (b) if so, whether the impact of demonetisation on agriculture has been assessed by the Government, if so, the details thereof;
- (c) whether it is a fact that price of crops has drastically gone down due to demonetisation and farmers are the worst affected by it and if so, the details thereof;
- (d) whether there is any proposal under consideration of the Government to give compensation to the affected farmers;
- (e) whether growth rate in farmers' income is projected to be lower due to drop in prices of perishables due to demonetisation; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a): As per 2011 census data, 54.6% of the total workers are engaged in the agricultural sector.

(b) & (c): The All India average wholesale prices of major agricultural commodities as on 8 November, 30 November, 15 December and 30 December, 2016 are as under:

(Rs. Per Quintals)

Commodities 8 Nov, 2016 30 Nov, 2016 15 Dec, 2016 30 Dec, 2016 % change in 30 Dec. over 8 Nov16

Rice 2473 2541 2545 2544 2.9

Wheat 2152 2213 2214 2200 2.2

Gram Dal 11395 11562 11560 11404 0.1

Tur/ Arhar Dal 10969 10704 10355 9847 -10.2

Contdâ€2/-

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Urad Dal 11061 10702 10341 9954 -10.0

Moong Dal 7607 7477 7430 7246 -4.7

Masoor Dal 7461 7389 7262 7093 -4.9

Potato 1655 1463 1286 1135 -31.4

Onion 1156 1230 1178 1103 -4.6

Source: Deptt. of Consumer Affairs.

The prices of agricultural commodities are determined by the market forces of supply and demand, quality of produce, seasonality etc. There is no direct link between demonetization and prices of agricultural commodities.

(d): No, Madam. However, Government has taken several steps to ease the pressure on farmers due to the recent demonetisation. These include, inter-alia, enhancement of withdrawal limit for farmers to upto Rs. 25,000/- per week in cash from their loan (including Kisan Credit Card limit) or deposit accounts; interest waiver of 60 days (November and December, 2016) on all short term loans availed from Cooperative Banks between 01.04.2016 to 30.09.2016; additional grace period of 60 days as prompt repayment incentive @ 3% for farmers whose crop loan dues fall between 01.11.2016 to 31.12.2016 etc.

(e) & (f): The income of farmers /agricultural households in the country is estimated by the National Sample Survey Office (NSSO) through the "Situation Assessment Survey of Agricultural Households" conducted from time to time. The NSSO had conducted the survey in 2003 and 2013.

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