

with a deviation of (-) 36%. Out of 36 meteorological sub-divisions in the country, 2 received excess rainfall, 9 received normal rainfall, 19 received deficient rainfall and the remaining 6 received scanty rainfall.

Declaration of drought is made by the respective State Governments taking into account various factors. This year, the Government of Manipur and Jharkhand have so far declared the drought affected areas in their State.

(c) and (d) It is primarily the responsibility of the State Governments concerned to take necessary measures in the wake of natural calamities. The Government of India supplements the efforts of the States with financial and logistic support. Financing of relief expenditure is carried out in accordance with the recommendations of the Finance Commission. Funds are readily available with the State Governments under the Calamity Relief Fund (CRF) for taking necessary measures in the wake of natural calamities. The Government of India and State Government concerned contribute to this Fund in the ratio of 3:1. Additional assistance, over and above the CRF, is considered from the National Calamity Contingency Fund (NCCF), for natural calamities of severe nature, in accordance with an established procedure and on submission of Memorandum by the affected State. There are laid down items and norms for assistance from CRF/NCCF, for provision of assistance to the affected persons in the wake of natural calamities.

Implementation of debt-waiver scheme in Kerala

1511. PROF. P.J. KURIEN: Will the Minister of AGRICULTURE be pleased to state:

- (a) the total amount spent in Debt waiver and Debt-relief scheme 2008, in Kerala;
- (b) whether Government of Kerala has requested to include farmers who have settled their dues before 29th February, 2008, also in the scheme;
- (c) if so, the details thereof; and
- (d) if not, the reasons, therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) to (d) The information is being collected and will be laid on the Table of the House.

Plan to provide fair price to farmers for their produce

†1512. SHRI SUBHASH PRASAD YADAV: Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Government has formulated/is formulating any new plan to provide fair price to farmers for their produce;
- (b) if so, the details thereof;
- (c) the efforts made in this regard during the last three years to remove the middlemen and the amount of success achieved thereby;

† Original notice of the question was received in Hindi.

(d) the reasons for the increasing starvation among the farmers as well as the increasing prosperity among the middlemen;

(e) whether there is any proposal to provide subsidy on wheat and rice in this fiscal year; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) and (b) Through Minimum Support Prices for major agricultural commodities, the Government seeks to ensure remunerative prices to the growers for their produce with a view to encourage higher investment and production, and to safeguard the interest of consumers by making available supplies at reasonable prices.

The Commission for Agricultural Costs & Prices (CACP), while formulating its recommendations on price policy considers a number of important factors which include cost of production. The cost of production taken into account includes all paid out costs, besides cash and kind expenses on use of material inputs, irrigation charges including cost of diesel/electricity for operation of pump sets, etc. Besides, cost of production includes imputed value of wages of family labour and rent for owned land. The cost also covers depreciation of farm machinery and buildings. As such, the cost of production covers not only actual expenses in cash and kind but also imputed value of owned assets including land and family labour.

Food Corporation of India (FCI) and agencies of the State Government procure all the foodgrains conforming to the prescribed specifications at the Minimum Support Price (MSP) and incentive bonus, if any. However, farmers are free to sell their produce either to FCI and State Government agencies at MSP or in the open market as is advantageous to them.

(c) and (d) In addition to direct procurement from farmers by Government agencies, the Government has initiated various measures to improve marketing of agricultural commodities. The State Agricultural Produce Marketing (Development and Regulation) Act, 2003 has been revised by various states to bring about reforms in agricultural marketing. Contract farming, direct marketing and public-private partnership in management and development of agricultural markets are the major instruments of change among others.

In order to benefit the farmers as well as to maximize procurement of wheat and rice FCI and State Government agencies also involve other agencies where the infrastructure is weak so as to avoid distress sale.

(e) and (f) Foodgrains are supplied to targeted families under Targeted Public Distribution Scheme (TPDS) at subsidized prices. The difference between the economic cost of the FCI/State agencies and the Central Issue Prices of foodgrains fixed for the targeted families are reimbursed, to FCI/State agencies undertaking decentralized procurement, as food subsidy.