

The Government has examined these recommendations and the view on these is as under:

- (i) The States/ UTs are already required to comply with certain pre-requisites like completion of the ongoing scheme for computerization of Targeted Public Distribution System operations, which includes putting up digitized list of beneficiaries on transparency portal; putting in place grievance redressal mechanism, etc. as per requirement of NFSA, in order to start implementation of the Act.
- (ii) and (iii) The NFSA is already in force and the Government has not decided to make any amendments to the Act.
- (iv) Direct transfer of cash subsidy is one of the options discussed in various fora for checking diversion of foodgrains. Its implementation, however, depends upon readiness of States/UTs in terms of digitization and de-duplication of beneficiary data-base seeds with bank account numbers and it can be taken up on specific requests from States/UTs.

Rise in cost of agricultural inputs

*56. SHRI SANJAY RAUT : Will the Minister of AGRICULTURE be pleased to state:

- (a) whether farmers are losing interest in farming due to steep rise in the cost of agricultural inputs and environmental risk factors on their crops, if so, the details thereof and Government's response thereto;
- (b) the steps taken or proposed to be taken by Government to bring down the cost of cultivation and to lessen the effect of rising cost of agricultural inputs on farmers; and
- (c) whether Government has undertaken a comparative study to examine the total input cost for cultivation of major crops, involving risk factor *vis-a-vis* minimum support price fixed for each crop and if not, the reasons therefor?

THE MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH): (a) and (b) Rise in cost of inputs and risk of loss of yield due to aberrations in the weather are of major concern to the farmers. The risk of crop loss due to adverse weather conditions is covered under National Crop Insurance Programme (NCIP) which includes such as Modified National Agricultural Insurance Scheme, Weather Based Crop Insurance Scheme and Coconut Palm Insurance Scheme. Government of India also provides central assistance for immediate relief through State Disaster Response Funds (SDRF) and also

additional assistance under National Disaster Response Fund (NDRF), for the benefit of affected farmers.

The cost of various inputs like labour, seeds, fertilizers, pesticides etc. is reflected in the cost of production of various agricultural commodities. The effect of rise in cost of production of major crops is balanced through the mechanism of Minimum Support Prices that are fixed every year in order to enable farmers to receive reasonable return for their produce.

Government has initiated several steps to bring down cost of production of agricultural commodities by promoting increase in productivity through efficient use of inputs like fertilizers, irrigation, quality seeds, machinery, etc. Government is promoting Integrated Nutrient Management (INM) for balanced and judicious use of chemical fertilizers, bio-fertilizers and locally available organic manures like farmyard manure, compost, vermi compost and green manure based on soil testing to maintain soil health and productivity. Pest control is addressed through Integrated Pest Management (IPM) Scheme. Training is also imparted to farmers about adoption of improved crop production technologies including INM and IPM practices.

Government is also facilitating improved market access to farmers to increase their awareness of price discovery and provide them with better returns for their produce. The States/UTs have been advised to amend their respective State Agricultural Produce Market Committee (APMC) Acts to facilitate direct marketing, contract farming, farmers/consumer markets, setting up markets in private and cooperative sector, e-trading etc. Further, in order to encourage investment in marketing infrastructure development, Government is, *inter-alia*, implementing capital investment subsidy schemes such as development/ strengthening Agricultural Marketing Infrastructure, Grading and Standardization (AMIGS) and Gramin Bhandaran Yojana. In addition, Government is also implementing Marketing Research and Information Network with the objective to collect and disseminate prices and arrival data for the benefit of farmers and other stakeholders to facilitate the farmers in taking better production and marketing decisions to get more remunerative prices for their produce.

In addition, in order to make agriculture remunerative, Government implements various developmental schemes like National Food Security Mission, Rashtriya Krishi Vikas Yojana, bringing Green Revolution to Eastern India and several other missions and programmes.

(c) Government fixes Minimum Support Prices (MSPs) of various crops on

the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), the view of State Governments and Central Ministries and other relevant factors. While recommending the price policy of various commodities, CACP keeps in mind the cost of production, demand and supply, price trends in the market, both domestic and international, inter crop price parity, terms of trade between agricultural and non-agricultural sectors, likely implications of MSP on consumers of that product, besides ensuring optimal utilization of natural resources like land, water etc.

A comparative statement of all India weighted average cost of production (A2+FL) of major crops as projected by CACP with their Minimum Support Prices for the year 2014-15 is given as under:

(Value: ₹ / Qtl.)		
Crop	Cost of Production (A2+FL)*	MSP
Paddy	978	1360
Wheat	744	1450
Gram	1902	3175
Groundnut	3232	4000
Cotton	2510	3750

(Note: A2+FL: Paid out cost inclusive of family labour. Paid out cost covers the cost on account of all in-puts like seeds, fertilizers, manure, insecticide, irrigations charges, bullock labour, machine labour, human labour etc.)

Decrease in agricultural production

*57. SHRI A.K. SELVARAJ : Will the Minister of AGRICULTURE be pleased to state:

(a) whether agricultural production is likely to be marginally lower for this Rabi season due to lower acreage, if so, the details thereof; and

(b) whether Kharif production too has been estimated to be lower by 10 million tonnes (MT) with foodgrain production projected at 120 MT, if so, the details thereof?

THE MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH) :
(a) and (b) As per 2nd Advance Estimates for 2014-15, released on 18th February, 2015, total production of rabi foodgrains is estimated at 133.28 million tonnes, which is higher