

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO. 2434
TO BE ANSWERED ON THE 21/03/2025

MEASURES TO REDUCE DEPENDENCE ON MIDDLEMEN UNDER PM-AASHA

2434. Shri Ghanshyam Tiwari :

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

- (a) the measures taken under the Pradhan Mantri-Annadata Aay Sanrakshan Abhiyan (PM-AASHA) to reduce farmers' dependence on middlemen and provide them direct access to the market;
- (b) the manner in which Market Intervention Scheme (MIS) operates in areas with poor infrastructure or limited market access; and
- (c) whether the Ministry is planning to broaden the scope of PM-AASHA to include additional crops or introduce new support mechanisms, if so, the details thereof?

ANSWER

MINISTER OF STATE, AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a): The Government of India is administering the integrated Scheme of Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) comprising Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS), Market Intervention Scheme (MIS) and Price Stabilisation Funds (PSF). Department of Agriculture & Farmers' Welfare (DA&FW) implements PSS, PDPS and MIS whereas Department of Consumer Affairs implements PSF. The integrated scheme of PM-AASHA is aimed to bring-in more effectiveness in the implementation of procurement operations that would not only help in providing remunerative prices to the farmers for their produce but also control the price volatility of essential commodities by ensuring their availability at affordable prices to consumers.

Price support Scheme (PSS) a component of PM-AASHA is implemented as and when the market prices of notified pulses and oilseeds & copra fall below the notified MSP during peak harvesting period to provide the remunerative price to the farmers. The procurement of the notified pulses, oilseeds and copra conforming to the prescribed Fair Average Quality (FAQ) is undertaken by the Central Nodal Agencies (CNAs) like National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and National Co-operative Consumers' Federation of India Ltd. (NCCF) through the State level agencies at the MSP directly from the pre-registered farmers having legitimate land record to eliminate possibility of middlemen taking advantage of the scheme.

Further, in order to incentivize the farmers for their contribution for the enhancement of domestic production of pulses and to reduce the dependence on import, the existing procurement ceiling of 25% on Tur, Urad and Masur under PSS had been lifted for the year 2023-24 and it has been extended further for the year 2024-25 also.

(b): Market Intervention Scheme (MIS) a component of PM- AASHA is implemented on the request of the State/UT Government for the procurement of various perishable agricultural/horticultural commodities such as Tomato, Onion and Potato etc. for which Minimum Support Price (MSP) is not fixed and there is a fall in prices in the market by atleast 10% over the rates of previous normal season in the States/UTs so that the farmers are not constrained to make distress sales of their produce. It is implemented if the States/UT is willing to share the total loss in the ratio of 50:50 between the State and Centre whereas in case of North-Eastern States, the losses to be shared between the Centre and State on 75:25 basis. The procurement is undertaken by the State designated agency upto 25% of the State's production of the particular crop of the prescribed FAQ at a fixed Market Intervention Price (MIP) as determined by MIS Committee plus permitted overheads expenses, which is 25% of MIP so that the farmers are not constrained to make distress sale of their produce. However, States/UTs have also an option to make the differential payment between the MIP and Sale Price to the farmers especially where adequate infrastructure for storage of perishable commodities is not available. Further , in the interest of farmers, in special cases, if there is a price difference of TOP crops (Tomato, Onion and Potato) between the producing and consuming states, the operational costs incurred by Central Nodal Agencies (CNAs) like NAFED and NCCF in storing and transporting the crops from the producing state to the consuming states will be reimbursed by the Government.

(c): The Govt. of India in September 2024 approved the continuation of integrated PM AASHA scheme broadening its scope. The notified pulses and oilseeds & copra for which MSP is announced are covered under Price Support Scheme (PSS) component of PM-AASHA. Procurement of pulses and oilseeds under Price Support Scheme has been allowed upto a maximum of 25% of the National production with approval of CoS. To support Oilseed farmers , the coverage under Price Deficit Payment Scheme (PDPS) has been enhanced from existing 25% of the production of the State to 40% of state production of the particular oilseed wherein direct payment of the price difference between the MSP and the selling / modal price in notified market upto 15% of MSP value is made to the farmers.

Further, all the agricultural / horticultural commodities for which MSP is not fixed and are perishable in nature are covered under MIS component of integrated scheme of PM-AASHA. The Government is covering perishable crops like Tomato, Onion and Potato (TOP) and many other crops like Apple, Ginger, Chilli etc. under MIS for which Minimum Support Price (MSP) is not fixed to mitigate the hardship to the farmers when there is a reduction of prices in the market by atleast 10% over the rates of previous normal season in the States/UTs so that the farmers are not constrained to make distress sale of their produce. Govt. has introduced a new component of PDPS under Market intervention scheme (MIS) for direct payment of the price difference between the Market Intervention Price (MIP) and the selling price to the farmers of perishable crops.

For making effective procurement and providing maximum benefits of MSP to the farmers under PM-AASHA, procurement centers are opened by respective State Government Agencies and Central Nodal Agencies like NAFED, NCCF etc. after taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. large number of the purchase centers in addition to the existing mandis and depots/godowns are also established at key points for the convenience of farmers.
