

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

UNSTARRED QUESTION NO:312

ANSWERED ON:01.12.2015

Procurement of Pulses by NAFED

Adsul Shri Anandrao ;Patil Shri Shivaji Adhalrao;Shrirang Shri Chandu Barne;Yadav Shri Dharmendra

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

- (a) whether the Union Government has decided to set up buffer stock of pulses from this year kharif marketing season;
- (b) if so, the details thereof;
- (c) whether the Union Government has authorised the National Agricultural Cooperative Marketing Federation of India (NAFED) to procure 30,000 tonnes of tur and 10,000 tonnes of urad from farmers at prevailing market rates and sell in the open market;
- (d) if so, the details thereof;
- (e) whether it is a fact that landed cost of tur is around Rs. 69 per kg while the minimum support price is about Rs. 46.25 per kg;
- (f) if so, the steps taken by the Union Government to safeguard the interest of the farmers; and
- (g) the steps taken by the Union Government to meet the short supply of pulses?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

???? ??? ????? ?????? ????????? ??? ?????? ?????? (SHRI MOHANBHAI KUNDARIA)

(a) to (d): Yes, Madam. The Union Government has decided to set up buffer stock of pulses. Procurement of Tur and Urad for the buffer stock in the current Kharif marketing season by National Agriculture Cooperative Marketing Federation of India (NAFED), Small Farmers Agri-Business Consortium (SFAC) and Food Corporation of India (FCI) at prevailing market prices is being done with assistance from Price Stabilisation Fund (PSF). NAFED and SFAC have been directed to procure 30,000 MT of Tur and 10,000 MT of Urad at an estimated cost of Rs.350 crore, while Rs.50.0 crore have been released to FCI for undertaking the procurement. The procured stocks will first be allocated to States based on their demand. In case States do

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not lift either full or a part of the procured pulses, these pulses will be offered by Department of Consumer Affairs (DoCA) to agencies like Kendriya Bhandar, Mother Dairy for sale through their outlets. Alternatively, these pulses may be sold in open market on National Commodity and Derivatives Exchange (NCDEX) or any other electronic platform in a transparent manner. The procured pulses will be disposed off within one year of end of procurement period to consumers

(e) & (f): As a price stabilisation measure to control rising prices of pulses in 2015, it was decided to import pulses through Metals and Minerals Trading Corporation of India (MMTC) with assistance from the PSF. MMTC floated a tender for import of 5000 MT of Tur dal and received 4927 MT of Tur dal @ 1078 US\$ per Metric Tonne (MT) and at a total cost of Rs.38.43 crore. The landed cost for the imported Tur dal worked out to Rs.77/kg. which was offered to the States at approximately Rs.69/kg.

While import was undertaken only as a short term price stabilisation measure, however, to safeguard the interest of farmers the Government, on the recommendations of Cabinet Committee on Economic Affairs and on the recommendation of Commission for Agricultural Costs and Prices (CACP), announced Minimum Support Prices (MSPs) for Kharif Crops of 2015-16 Season and keeping in view the huge deficit of pulses, the Cabinet made an exception and decided to give a bonus of Rs.200 per quintal for pulses over and above the recommendations of the CACP. This is expected to give a strong price signal to farmers to increase acreage and invest for increase in productivity of pulses. However, presently, the wholesale prices for pulses like Tur and Urad are much above the MSP.

(g): The Union Government took a number of steps to meet the short supply of pulses including extension of "Zero import duty" on all pulses (except gram and lentils) without an end date. In case of gram and lentils "zero import duty" has been extended only upto 31st December, 2015. The Government imported 5000 MT of Tur through MMTC with support from PSF. The Government is also creating a buffer stock of pulses.
