Memorandum Presented to Hon'ble President of India by Leader of Opposition in Lok Sabha Smt. Sushma Swaraj and Members of Parliament from Madhya Pradesh

6 March 2014

Respected Rashtrapaiji,

A few days ago, Shri Shivraj Singh Chouhan, Chief Minister of Madhya Pradesh, has also presented before you the plight of farmers of Madhya Pradesh presently reeling under the onslaught of unprecedented natural calamities of hailstorm and untimely rains leading to severe crop damage. He has also apprised you of the various issues where inaction on the part of GOI is worsening the agrarian crisis of the state. We, the MPs of Madhya Pradesh, being in total agreement with the issues raised by him, are saddened by the fact that so far no action has been taken by the GOI in the matters posed before you and implore you to again intervene. Major areas where your benign intervention is being sought are as follows:-

(1) Relief package to the farmers suffering from Hailstorm and Untimely rains –

Madhya Pradesh had experienced massive flooding in the months of August, September and even October last year due to excessive monsoon rains. This had an adverse effect on our soyabean crop (which is one of the major crops in Madhya Pradesh). It was also accompanied by huge damage to houses, livestock and infrastructure, including roads, electrical transformers etc.

After the detailed survey of all kinds of damage including crop damage, a Memorandum was prepared as per National Disaster

Relief Fund (NDRF) norms, which was submitted to Govt. of India on 28th Oct. 2013 for seeking additional central assistance of Rs. 575 crore to augment the efforts of the State Government. On the recommendation of the central study team which visited affected areas, the High Level Committee recommended Rs. 388 crore plus actual air bills, which was far less than our demand. However, even this amount of Rs. 388 crore has not yet been fully released.

On top of this, the tragedy that has now occurred is the unseasonal rains and hailstorm which we have suffered during the last 4 days in practically every one of the 51 districts of the State. Initial reports indicate heavy rains in more than ten thousand villages, and hailstorm in a significant number of them. Huge damage has been caused to the chana (gram) crop, some of which has already been partially harvested and lying in the field or soon to be harvested. The Wheat crop has also been extensively damaged which otherwise was going to be a bumper one. Vegetable and horticulture crops have also been affected.

The State Government machinery is working hard to conduct the survey of the damage and we shall be sending the details to the Central Government in the near future. Shri Shivraj Singh Chouhan, Chief Minister has written to the Hon'ble Prime Minister in this regard and made a request that this unseasonal rain and hailstorm in Madhya Pradesh be declared as a National Disaster, and a special grant of Rs. 5000 crore be made available to us as interim relief.

(2)MSP Procurement of Gram -

Government of India has declared the Minimum Support Price for gram as Rs. 3100 per quintal. Under the price support policy NAFED is the Agency of the GOI for procurement of gram under MSP.

As you are aware, Madhya Pradesh is the largest producer of gram in the country. This year the production of gram is expected to be higher than last year. This is the result of continuous efforts on the part of the State Government to boost production. This shows our commitment towards the development of pulses in our country, and this effort will be helpful to make the country self-reliant in pulses.

Unfortunately, the present market rates for gram are substantially lower than the MSP of Rs. 3100 per quintal. In its Export-Import Policy, Government of India on the one hand has allowed duty free import of pulses, and on the other hand, there is a ban on export of pulses (Except Kabuli Chana). Due to such contradictory orders, farmers are getting adversely affected, and the low mandi price for chana is the result of the Government of India's wrong policies.

The concept of Minimum Support Price has been put in place so to protect the farmers' interest. It is, therefore, the moral responsibility of Government of India to make appropriate arrangements to undertake price support operations. It is a matter of great concern that the Ministry of Agriculture and Cooperative and its agency

NAFED have not yet put in place a reliable mechanism for the purchase of Chana. The basic bottleneck is the reluctance of Government of India to provide NAFED with adequate credit limit.

Chief Minister, M.P. had personally met and spoken with the Hon'ble Prime Minister, the Finance Minister and the Agriculture Minister a fortnight ago; but inspite of assurances nothing concrete has been finalized in this direction.

Government of Madhya Pradesh is prepared and committed to provide all support of NAFED, for procurement of gram under MSP, such as establishing purchase centers, providing bags for packaging, transportation, provision of storage/ warehouses for procured gram, etc. The State Government has taken the initiative at all levels to intervene in the interests of farmers and to make appropriate preparations in the State for procurement.

However, it is a matter of deep concern that Government of India or its agency NAFED has failed to make commitment for full price support operations and match up to the preparedness of the State. Government of India/ NAFED are insisting that only a limited quantity of gram will be procured, and whenever its credit limit finishes (the amount of which is still unknown), they will immediately direct the State to stop price support. Such uncertain arrangements would not only be against the interests of the farmers

but also create situations of law and order at the procurement centers. Price support operations cannot be stopped mid-way, and must necessarily be continued through the purchase season of at least 2 months.

Gram is one of the main Rabi crops in our State. Generally its cultivation is undertaken by small and marginal farmers and mostly in un-irrigated areas. If only limited quantity of gram is procured, as is being suggested by Government of India, there will be a scramble for first-come-first-served, and only resourceful and big farmers will get benefitted. Small and marginal farmers will be unable to get benefits due to their limited access. This would also give rise to avoidable discretion to field level functionaries resulting in a pick-and-choose situation. This is not only impractical, it is also unjust. It is thus necessary that, like the arrangements in MSP for Wheat and Paddy (where the price support operation is not limited during the procurement season), similar arrangements are made for gram also. Procurement of wheat on MSP will commence on 25th March, 2014 in Madhya Pradesh.

The State Government expects a substantial procurement of gram (considering market rates remain lower than the MSP). It is requested that appropriate arrangements for price support operations for a period of at least 60 days be made immediately so that farmers can sell their produce at MSP.

It is our humble request that Government of India be directed to instruct NAFED to immediately make all arrangements for procurement of gram at MSP in the State and assist us in our resolve to provide appropriate rates to farmers for their produce.

(3) Madhya Pradesh as Basmati Growing GI State-

Recently the State of Madhya Pradesh has won the protracted battle of getting included as a Basmati Growing State in GI Register. Basmati grown here is not only of the same quality as found in the Indo-Gangetic plains but also native in nature as proved successfully showing various historical evidences. And yet, APEDA preferred an appeal against the State much to chagrin of our industrious farmers. Madhya Pradesh has a share of 40% exports of Basmati from the country. We are particularly perturbed seeing the voices of APEDA and BGA- Pakistan match against the interests of M. P. farmers. Government of India be asked to press ADEDA to withdraw its appeal forthwith.

(4) Revisiting norms of NDRF and Crop Insurance -

There is also a pressing need to re-visit the NDRF prescribed norms for grant of relief, as they are very stringent. The State has on its own liberalized the norms last year, and we are bearing the entire additional burden for this. Furthermore, the National Agriculture Insurance Scheme as it is currently designed (or even as it is proposed to be changed) is not in the interest of farmers or the government. It needs to be completely re-vamped to make it an effective cover for agricultural risk.

Sushma Swarai Leader of Opposition, Lok Sabha 2792 Fr Rete carci नर्जा सिंह नोमर डॉ. सत्यनारायण प्रिटिया वालर नाट के कारोत - संसाद नाम्य नामा मार्च दिला