

PRESS RELEASE

Dec. 22, 2014

Randeep Singh Surjewala, MLA, Spokesperson, All India Congress Committee has issued the following statement to the press today:-

“A grave ‘agrarian crisis’ of unprecedented scale plagues the ‘Farm Sector’ today putting a question mark on India’s food security. It arises out of indifference, ignorance and incapacity of BJP-led NDA Government to feel the agony, anguish and cry for help of Indian farmer. In fact, ‘Modi Government’s’ Agriculture Policy appears to be governed by ‘3Ds’ – ‘Dupe’, ‘Deceive’ and ‘Dump’.

Prices of all agricultural crops are witnessing a free fall. Government is unwilling to fix a fair ‘Minimum Support Price’ (MSP) for crops. Government procurement agencies like FCI, CCI etc. are refusing to purchase farmer’s crop even at MSP beyond the PDS quota fixed for each State. To top it, Shri Narendra Modi has banned the BJP-ruled States of Chhattishgarh, Madhya Pradesh and Rajasthan to give the already announced bonus to paddy and wheat farmers – a major pre-poll announcement by BJP in these States. Non-availability and rampant black-marketing of Urea/DAP fertilizers/seeds are the accepted norm. Extension of agricultural credit to farmers stands slashed by Banks/financial institutions. Agricultural exports have dipped substantially and suddenly. Area under agricultural production has fallen. This entire malady has become symbolical of mal-governance of agriculture sector in six months by Modi government.

Cost + 50% Profit – A tale of Broken Promises

In the run-up to 2014 Parliamentary elections, most important big ticket promise (other than bringing back black-money) made by Shri Narendra Modi was to ensure “remunerative prices for farmers by adding 50% profit into the peasant’s input cost”. At a rally at Pathankot, Punjab on April 24, 2014; Shri Modi announced, “We will fix the MSP of crops incorporating 50% profit in farmer’s cost of production including seeds, irrigation, manure, labour.” (Source - PTI/UNI Release dated 24.04.2014). He repeated it across the country to woo the farmers.

BJP followed it up by making it an unequivocal written promise in its 2014-manifesto (Page 44 of BJP’s manifesto) (Source www.bjp.org/documents/manifesto - 2014).

Once in power, this solemn promise of Shri Modi to over 60% of India’s population, was buried at the bottom of ‘false promises dustbin’. Having been cheated and short charged, India’s farmer stands at cross roads today. To add insult to injury, Modi government has increased MSP of various crops for 2014-15 in miniscule spurts of Rs.50/- per quintal per crop unlike the unprecedented protective umbrella and fair market prices given by Congress Party between 2004-05 and 2013-14.

A bare look of the understated figures clearly reflects the intent of Congress and BJP vis-à-vis farmer's welfare.

(Figures in Rupees per Quintal)

Sr. No.	Name of Crop	Congress Government (2004-05 to 2013-14)		Modi Government (2014-15)	
		MSP	Increase	MSP	Increase
1.	Wheat	640 to 1400	760	1400 to 1450	50 only
2.	Paddy (Rice)				
	(a) Normal	560 to 1310	750	1310 to 1360	50 only
	(b) Grade-A	590 to 1345	755	1345 to 1400	55 only
3.	(a) Cotton Desi (Medium Staple)	1700 to 3700	2000	3700 to 3750	50 only
	(b) Cotton American (Long Staple)	1960 to 4000	2040	4000 to 4050	50 only
4.	Sugarcane	73.50 to 220 Given on 10.02.2014	146.50	220 to 230	10 only (proposed for 2014-15)
5.	TUR (<i>ARHAR</i>)	1390 to 4300	2910	4300 to 4350	50 only
6.	<i>MUNG</i>	1410 to 4500	3090	4500 to 4600	100 only
7.	Barley (<i>JAUN</i>)	540 to 1100	560	1100 to 1150	50 only
8.	Maize (<i>MAKEE</i>)	525 to 1310	785	1310	No Increase
9.	Millet (<i>BAJRA</i>)	515 to 1250	735	1250	No Increase
10.	Soybean Yellow	1000 to 2560	1560	2560	No Increase
	Soybean Black	900 to 2500	1600	2500	No Increase
11.	Groundnut	1500 to 4000	2500	4000	No Increase

CRASH IN MARKET PRICE OF EVEN NON-MSP CROPS

Even Market-price of Non-MSP crops like Rice i.e. Basmati, 1121, 1509; Cotton i.e. J-45 Hybrid and others as also Rubber etc. have witnessed a free fall in last three months. Basmati Rice alone has fallen from Rs.6000-6500 in 2014-15 to Rs.3200-3300 per quintal in this season (100% drop). Basmati-like Rice varieties of 1121 and 1509, which were sold for Rs.4400-4800 last year, are being sold in distress sale at Rs.2400-2800 per quintal this season. Cotton variety J-45 Hybrid or even J-34 Regular, which was sold at Rs.5300-5500 last year, is being sold at Rs.3800-4000 per quintal this season – even below MSP. A similar tale is being witnessed by distressed rubber farmers which has seen reduction in prices from Rs.175-200 per kg last year to under Rs.120 per kg this season.

Question is what is BJP government doing after promising the moon?

EXPORTS DOWN, CROP AREA DOWN, GROWTH DOWN

Agricultural exports had jumped from \$7.5 billion in 2003-04 to \$42.6 billion in 2013-14 when Congress government demitted office. For example, Basmati rice export alone increased from 7.71 lakh ton (1993 crores) to 37.57 lakh tons (29299.96 crores) and cotton export increased from 12.11 lakh bales (2003-04) to 114 lakh bales (2013-14).

On the contrary, Modi government's inaction and indifference is likely to lead to a **decrease of nearly 29% in the exports** of three crops alone i.e. wheat, rice and corn in 2014-15 itself i.e. over 135 lakh tons.

Latest data of Agricultural Ministry brings more bad news reflecting substantial **decrease in area under cultivation** (Source - PIB press release dated 12.12.2014). It shows:-

Crop	2013-14 (in lakh hectares)	2014-15 (in lakh hectares)	Reduction (in lakh hectares)
Rabi	503.66	470.44	33.22
Wheat	251.32	241.91	9.41
Pulses	124.78	111.13	13.65
Oilseeds	75.33	69.91	5.42

Resultant effect would be **negative growth of farm sector** in 2014-15 for the first time after a decade of Congress rule.”