



सिर्फ पार्टी नहीं, मिशन है

Swaraj India

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MEMORANDUM ON BEHALF OF MAIZE FARMERS OF INDIA

Submitted to Shri Narendra Singh Tomar, Minister of Agriculture & Farmers Welfare, Government of India, New Delhi on 9th September, 2020 at Krishi Bhawan by Delegation of Jai Kisan Andolon & Swaraj India led by Shri Yogendra Yadav (National President, Swaraj India & Founder, Jai Kisan Andolan)

9th September, 2020

Shri Narendra Singh Tomar
Minister of Agriculture & Farmers Welfare
Government of India
New Delhi

Sub: Distress Sale of Maize by Farmers of India at Rates Much Below Minimum Support Price (MSP)

Re: Demand to:

- 1. Immediately Arrange for Procurement of Maize by Central Govt. to Ensure Maize Farmers of India Get MSP for their Crop**
- 2. Compensate Farmers of India for Loss Already Suffered by Them by Being Compelled to Sell Their Maize Crop at Very Low Rates, Much Below MSP**

Sir,

1. This is further and in addition to a 40 odd letters we have sent you on the above subject since 21st June, 2020. We thank you for granting us an appointment to hear about and hopefully resolve the unending crisis being faced by Maize Farmers of India, who have been getting less than half the Central Government declared and mandated Minimum Support Price (MSP) for Maize for their *Rabi* crop (mostly in Eastern Indian states like Bihar, West Bengal, Jharkhand, Odisha etc.) and are deeply apprehensive of not being able to get MSP for their *Kharif* crop (in other Indian states like Karnataka, Telangana, Maharashtra, Madhya Pradesh etc.).
2. You are aware that Maize is a major crop of India, with food, animal feed and industrial application uses. Not only is it an important food crop, it is also an important component of poultry feed, bio-fuels, food processing, pharmaceuticals (making shells of capsules) and starch (used for improving quality of cloth and making paper stronger).



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3. Considering the importance of Maize and the necessity to encourage its cultivation, in July 2019, the Central Government increased the MSP of Maize from Rs.1700 to Rs.1760 (Rupees one thousand seven hundred and sixty) per quintal, for Marketing Season 2019-2020.
4. The Central Government recognises that:
 - (a) MSP is the very lowest price that a farmer must get for her/his crop;
 - (b) If a farmer does not get MSP for crops, the farmer will suffer losses, leading to indebtedness, which in turn will deepen the vicious cycle of farmer suicides that India has unfortunately been witnessing for the last three decades.
5. Thus, the Central Government has statutorily:
 - (a) Assured and given guarantee to farmers, on the floor of Parliament and in numerous press statements, that farmers will not have to sell their crops at prices below MSP;
 - (b) Created, in conjunction with the State Governments, an elaborate network of markets, and market price control mechanisms, to ensure farmers get MSP.
6. The aforesaid statutory assurance to ensure that farmers get MSP for their crops, is, amongst other laws, secured under the framework of the Agricultural Produce Marketing Act (APMC Act). As you are aware, Agriculture and Agricultural Marketing are subjects in the Concurrent List of the Constitution of India and thus the Central Government has power to create laws and duty to ensure enforcement of such laws on the subject.
7. As already mentioned above, it is noteworthy that the Central Government increased MSP of Maize in July 2019 to encourage its cultivation. It is further noteworthy that the Central Government has given Krishi Karman Award to several State Governments, primarily for Maize production.
8. Buoyed by the above mentioned price and policy encouragement of the Central Government, farmers have redoubled their effort to increase production of Maize and consequent to this, maize production has risen from 277 lakh MT in 2018-19 to 285 lakh MT in 2019-20. As per reports published by Agriculture Ministry, maize acreage on 31st July 2020 has increased to 74.3 lakh hectares from 72.58 lakh hectares sowed in the same period last year. **Unfortunately, from reports published by NCDEX it is shocking to note that maize prices have fallen from Rs.2200/quintal in February 2020 to less than Rs.1000 in August, 2020. There are numerous reports emerging from local media in Bihar and Bengal that**



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maize farmers are facing a price crash and are being compelled to sell their produce at less than half-price. This is primarily because there are no price-support mechanisms/operations by the Central and State Governments in place and private traders are making a killing at the cost of farmers, something that the Agriculture Ministry is not expected to be a mute spectator to.

9. To their utter shock and horror, the Maize farmers now find that:
 - (a) In this period of dislocation due to lockdown and so-called unlock, there are no operational regulated agricultural markets within reasonable distance of their farms, where they can take their Maize crops for sale to licensed traders, at the Central Government Guaranteed MSP;
 - (b) Due to the absence of operational regulated agricultural markets, unlicensed private traders have descended on villages to purchase Maize and these traders are offering rock-bottom prices, usually not more than Rs.1,000 (Rupees one thousand) per quintal;
 - (c) In the absence of any system to sell their crop at MSP, farmers who have already harvested their perishable *Rabi* Maize crop, are being compelled to sell at rock-bottom prices, thus suffering huge losses, which is further debilitating their already fragile financial condition;
 - (d) Farmers who have planted their *Kharif* Maize crop are living in great fear that they will be forced to sell at great loss;
 - (e) No Central Government agency is setting up purchase centres to purchase Maize at MSP;
 - (f) No Price Support Scheme for Maize has been announced, much less implemented, by the Central Government, to ensure that farmers get MSP for their crop;
 - (g) No Price Deficiency Payment Scheme for Maize has been announced, much less implemented, by the Central Government, to ensure that farmers who have been compelled to sell their crop at below-MSP rates are compensated for the loss they have suffered for no fault of their own;
 - (h) No effort of any nature whatsoever on the part of the Central Government is visible anywhere to ensure that the guarantee of MSP to Maize farmers is honoured by the Central Government.
10. Now that *Rabi* Maize is in advanced stage of marketing, farmers do not know where to sell their crop at MSP. They have been left in the lurch by the Central Government and are being preyed upon by unscrupulous private traders who are fleecing them and compelling them to sell their crop at rock bottom and unremunerative prices.



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11. In the circumstances, we demand and call upon you:

(a) To kindly, **IMMEDIATELY**:

- (1) Direct arrangement for setting up of adequate number of Central Government purchase centres for Maize that are easily accessible by farmers, in all Maize growing districts;
- (2) Direct ensuring that the aforesaid purchase centres for Maize are adequately manned and funded to ensure that the entire Maize crop of all farmers is seamlessly procured at MSP at these centres, without causing any bureaucratic hurdles and difficulties for farmers;
- (3) Direct arrangement of a system so that farmers who have been compelled to sell their Maize crop at rates lower than MSP can lodge their claims for such loss and expeditiously receive compensation from the Central Government.

(b) To kindly, **EXPEDITIOUSLY**:

- (1) Direct ensuring that regulated agricultural markets for sale of Maize are available and operational in all Maize growing districts;
- (2) Direct ensuring, if necessary by constant monitoring and enforcement, that all transactions at these regulated agricultural markets are done at or above MSP;
- (3) Direct announcement and Implementation for Maize, a robust Price Support Scheme of the Central Government under Pradhan Mantri Annadata Aay SanrakshAn Abhiyan (PM-AASHA);
- (4) Direct announcement and Implementation for Maize, a robust Price Deficiency Payment Scheme of the Central Government under PM-AASHA.

Yours Sincerely
For **Swaraj India/Jai Kisan Andolan**

Yogendra Yadav
National President/Founder