

On Budget table: 100% MSP for oilseeds, pulses

Govt likely to tweak PM-AASHA

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New Delhi, 10 July

The upcoming Union Budget for 2024-25 is expected to modify the flagship Pradhan Mantri Annadata Aay Sanraksha Abhiyan (PM-AASHA), assuring a minimum support price (MSP) for select pulses and oilseeds through either 100 per cent direct purchase or price deficiency payments, said people in the know.

Union Agriculture Minister Shivraj Singh Chouhan has repeatedly stressed the Central government's commitment to the 100 per cent procurement of *arhar*, *urad*, and *masoor* at MSP from

all states. Currently, the sources noted, the scheme's guidelines unveiled a few years ago restricts the quantum of pulses and oilseeds farmers can sell through it.

Earlier, the central government was required to procure 25 per cent of the actual production of any commodity for any season under the scheme. States wishing to procure more than this amount had to use their own resources. This limit was later increased

BACKING FARMERS

Spending under PM-AASHA, and Market Intervention Scheme (MIS) & Price Support Scheme (PSS) for pulses and oilseeds



₹ crore

Scheme	MIS-PSS	PM-AASHA
2020-21*	1,358	0
2021-22*	2,288	0
2022-23*	4,007	0
2023-24**	0	2,200
2024-25#	—	1,738

Note: Though PM-AASHA is in place for a few years now, spending under the scheme has remained largely negligible. The government, however, did intervene in the pulses and oilseeds market through the MIS & PSS. From 2023-24 (RE), the same has again been done through PM-AASHA; *Actuals, **Revised Estimates #Budget Estimates (according to Interim Budget) Source: Budget documents

to 40 per cent. However, for the 2023-24 season, the cap was removed for *arhar*, *urad*, and *masoor*.

Now, the sources indicate, unlimited procurement might be extended, providing assurance to pulses and oilseed growers that their entire produce will be purchased at MSP if market prices fall below it.

Turn to Page 6 ▶

MSP panel suggested no limit procurement for pulses

These anticipated changes could ensure that the entire produce of pulses and oilseeds becomes eligible for price deficiency payments, funded by the government. "In the case of oilseeds and pulses, the maximum price drop below MSP is around 10-15 per cent, which can be compensated if needed," a senior official stated.

The Commission for Agriculture Costs and Prices (CACP), responsible for determining the MSP of over 20 crops annually, in a recent report supported extending the no-limit procurement for pulses and the price deficiency scheme for oilseeds. "The procurement ceiling of 40 per cent for arhar, urad, and masoor under the Price Support Scheme (PSS), removed for 2023-24, should be extended for the next two-three seasons to ensure remunerative prices for farmers," the CACP recommended.

It also noted that India's reliance on imports for edible oils has grown over the past few decades, with around 60 per cent of domestic consumption now met through imports. This dependence necessitates strategic interventions to promote oilseed cultivation in irrigated areas, improve yields, and ensure remunerative prices for oilseed growers.

The commission suggested extending the National Mission on Edible Oils to major oilseeds, such as mustard, soybean, sunflower, and groundnut.

It also called for greater private sector participation in the procurement operations under the Price Deficiency Payment Scheme (PDPS) and the Pilot of Private Procurement and Stockist Scheme (PPSS) under the PM-AASHA.

Since 2018, the central government has run PM-AASHA, which includes the PSS for pulses, oilseeds, and copra, PDPS for oilseeds, and PPSS pilot for oilseeds. While the scheme has helped increase pulse buffer stocks from a few hundred thousand tonnes to almost 2 mil-

Govt to sell wheat, rice in open mkt

The central government is set to sell wheat and rice from its inventories through the Open Market Sale Scheme (OMSS) to control prices. Wheat will be sold at ₹2,325 per quintal, while rice will be available at ₹2,800 per quintal. State governments have also been authorised to obtain rice from the Food Corporation of India without participating in tenders, facilitating the restart of their free rice distribution programmes through the Public Distribution System. The exact quantities of wheat and rice to be sold under OMSS are yet to be decided.

lion tonnes in a few years, it faces several challenges. The CACP has repeatedly highlighted issues within PM-AASHA, noting that while the PSS component functions relatively well, the PDPS and PPSS components have struggled to take off. Additionally, the PSS component faces implementation issues.

High Court orders opening of Shambhu border in 7 days

The Punjab and Haryana High Court on Wednesday ordered the Haryana government to remove within a week the barricading set up at the Shambhu border near Ambala where farmers have been camping since February 13 when their 'Delhi Chalo' march was stopped. The state government had set up barricades at the Ambala-New Delhi national highway in February when Samyukta Kisan Morcha (Non-Political) and Kisan Mazdoor Morcha had announced to move towards Delhi in support of various demands, including a legal guarantee to minimum support price (MSP) for crops.

