

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO-184
TO BE ANSWERED ON 03/02/2023

LEGAL GUARANTEE FOR MSP

184. SHRI MASTHAN RAO BEEDA:

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

- (a) whether Government intends to come up with a law to provide Legal Guarantee of Minimum Support Price for farmers in the country;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the details of other measures being taken to provide income security to farmers?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI NARENDRA SINGH TOMAR)

(a) to (c): Government fixes Minimum Support Prices (MSP) for 22 mandated agricultural crops and Fair and Remunerative Price (FRP) for sugarcane on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned and other relevant factors.

To realize the objectives of MSP Policy, Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Under this policy, whatever food grains are offered by farmers within the stipulated period & conforming to the specifications prescribed by Government are purchased at MSP by the State Government agencies including FCI for Central Pool. Additionally, Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of PM-AASHA, as per its guidelines at MSP in consultation with the concerned State Government and when market price of these produce fall below the MSP. Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI), respectively.

Further, Government in its Union Budget for 2018-19 had announced the pre-determined Principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a

return of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards.

(d): Government has adopted several developmental programmes, schemes, reforms and policies for achieving higher incomes for the farmers. There have been several reforms for income enhancement, which are as follow:

- (i) Supplementary income transfers under PM-KISAN,
- (ii) Crop insurance under Pradhan Mantri Fasal Bima Yojna (PMFBY),
- (iii) Better access to irrigation under Pradhan Mantri Krishi Sinchai Yojana (PMKSY),
- (iv) Special attention for creation of infrastructure through Agri Infrastructure Fund (AIF) with a size of Rs. 100,000 crore,
- (v) Kisan Credit Cards (KCC) offering production loan to even dairy & fishery farmers besides agricultural crops,
- (vi) Formation and promotion of 10,000 FPOs,
- (vii) National Mission for Sustainable Agriculture (NMSA), which aims to evolve and implement strategies to make Indian agriculture more resilient to the changing climate.
- (viii) Adoption of drone technologies in agriculture which has a potential to revolutionize the Indian agriculture.
- (ix) Benefits accruing under Bee-Keeping, Rashtriya Gokul Mission, Blue Revolution, Interest Subvention Scheme, agro-forestry, restructured bamboo mission, implementation of new generation watershed guidelines, etc
