

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

RAJYA SABHA
UNSTARRED QUESTION NO-161
TO BE ANSWERED ON 21/07/2023

MSP FOR HORTICULTURE

161. SHRI VENKATARAMANA RAO MOPIDEVI:

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

- (a) whether Government intends to provide Minimum Support Price (MSP) and mandatory procurement on horticulture products produced in the country since unlike foodgrains, horticulture crops do not enjoy a safety net contributing to the risk undertaken by the horticulture farmers;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the other measures proposed to be taken to reduce the risk undertaken by the horticulture farmers in the country?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (d): Government fixes Minimum Support Prices (MSP) for 22 mandated agricultural crops, 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.

The inclusion of crops under MSP framework is dependent on several factors which include relatively large shelf life, non- perishable, widely grown, item of mass consumption, essential for food security, among others. Moreover, agricultural and horticultural crops for which MSP is not fixed and are generally perishable in nature, are covered under Market Intervention Scheme (MIS). The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production. The condition is that there should be either at least a 10 percent increase in production or a 10 percent decrease in the ruling market prices over the previous normal year. The Market Intervention Scheme (MIS) is implemented at the request of a state / UT government which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation. The extent of total amount of loss to be shared on a 50:50 basis between the central government and the state government, is restricted to

25 percent of the total procurement value which includes cost of the commodity procured plus permitted overhead expenses.

Government is also implementing a Centrally Sponsored Scheme i.e., Mission for Integrated Development of Horticulture (MIDH) w.e.f. 2014-15 for holistic growth of the horticulture sector in the country. Main objectives of Mission are to promote development of horticulture sector, through research; technology promotion; extension; human resource development, creation of infrastructure for post-harvest management and marketing in consonance with the comparative advantages of each State/region and their diverse agro-climatic conditions to enhance horticulture production, augment farmer's income and strengthen nutritional security.
