

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

LOK SABHA
UNSTARRED QUESTION NO.388
TO BE ANSWERED ON THE 18TH JULY, 2017

PROCUREMENT OF AGRICULTURAL PRODUCE AT MSP

388. SHRI M.B. RAJESH:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the details of the procurement of agricultural produce by Food Corporation of India (FCI) and National Agricultural Cooperative Marketing Federation of India (NAFED) at Minimum Support Price (MSP) during the last three years;
- (b) the number of agricultural products covered under the Minimum Support Price (MSP);
- (c) whether the Government proposes to ensure MSP at 50% more than the comprehensive production costs established by CACP, if so, the details thereof;
- (d) whether the Government proposes to pass the legislation to protect the farmers right to sell their produce at MSP and also to ensure an annual automatic review of MSP; and
- (e) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

- (a): The details of the procurement of agricultural produce by Food Corporation of India (FCI) and National Agricultural Cooperative Marketing Federation of India (NAFED) at Minimum Support Price (MSP) during the last three years are placed at Annexure-I and Annexure-II respectively.
- (b): There are 25 agricultural products which are covered under the Minimum Support Price (MSP).
- (c): The National Commission on Farmers under the Chairmanship of Prof. M.S. Swaminathan had recommended that the MSP should be at least 50% more than the weighted average costs of production. MSP is recommended by the CACP based on various factors including cost of cultivation. The CACP also includes a certain profit margin on the A2+FL (family labour) cost. A2 cost includes all paid out costs. Government considers the MSP recommended by CACP and notifies the same.

Contd...2/-

As regards recommendation of National Commission on Farmers (NCF) to fix 50% as profit margin on C2 cost, the Department has shared certain issues with M.S. Swaminathan Research Foundation (MSSRF), and sought for comments.

(d) & (e): MSP is notified by the Government on various Kharif and Rabi crops. Government's aim is to help farmers realise prices higher than MSP in the market. For this purpose, Government has been focussing on creating an efficient marketing system. Towards this, the Government has shared a Model Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 with the States & UTs. This will encourage more number of markets and enhance competition. The Government is also aiming at creating a unified National Agriculture Market (eNAM) by promoting market integration through online trade.

However, there can still be situations where prices in the market rule below MSP. This is addressed through the instrument of Price Support Scheme (PSS) and Market Intervention Scheme (MIS). Under these schemes, procurement is undertaken based on the requests of the State Governments. While PSS covers non-perishable commodities like pulses & oilseeds, MIS covers perishables.

Rice Procurement by FCI from 2014-15 to 2016-17 (Marketing season wise)

(Figures in lakh tons)

STATE / UT	2014-15	2015-16	2016-17
	Actual Proc.	Actual Proc.	Actual Proc.
ANDHRA PRADESH	35.96	43.36	37.11
TELANGANA	35.04	15.79	35.92
ASSAM	0.15	0.42	0.41
BIHAR	16.14	12.23	12.34
CHANDIGARH	0.10	0.16	0.13
CHHATISGARH	34.23	34.42	46.62
DELHI	0.00	0.00	0.00
GUJARAT	0.00	0.01	0.01
HARYANA	20.15	28.61	35.83
HIMACHAL PRADESH	0.00	0.00	0.00
JAMMU & KASHMIR	0.00	0.07	0.00
JHARKHAND	0.06	2.06	1.39
KARNATAKA	0.88	0.55	0.00
KERALA	3.74	3.82	3.08
MADHYA PRADESH	8.07	8.49	13.14
MAHARASHTRA	1.99	2.30	3.06
NAGALAND	0.00	0.00	0.00
ODISHA	33.57	33.69	35.70
PONDICHERY	0.00	0.00	0.00
PUNJAB	77.86	93.50	110.52
RAJASTHAN	0.00	0.00	0.00
TAMIL NADU	10.51	11.92	1.41
UTTAR PRADESH	16.98	29.10	23.54
UTTRAKHAND	4.65	5.98	7.06
WEST BENGAL	20.32	15.68	19.18
Others	0.00	0.00	0.10
ALL INDIA TOTAL :	320.40	342.17	386.55

Wheat Procurement for Central Pool by FCI for the last three years (Marketing season wise)

(Figures in lakh tons)

S.No.	STATES/UTs	2014-15	2015-16	2016-17	2017-18*
1.	Punjab	116.41	103.44	106.49	117.05
2.	Haryana	64.95	67.78	67.52	74.11
3.	Uttar Pradesh	6.28	22.67	7.97	36.99
4.	Uttarakhand	0.01	0.04	0.02	0.02
5.	Madhya Pradesh	70.94	73.09	39.92	67.24
6.	Gujarat	0.00	0.73	0.00	0.06
7.	Rajasthan	21.59	13.00	7.62	12.45
8.	Bihar	0.00	0.00	0.00	0.00
9.	Jharkhand	0.00	0.00	0.00	0.00
10.	Karnataka	0.00	0.00	0.00	0.00
11.	Delhi	0.00	0.02	0.00	0.00
12.	Jammu & Kashmir	0.00	0.00	0.00	0.00
13.	Maharashtra	0.00	0.00	0.00	0.00
14.	Odisha	0.00	0.00	0.00	0.00
15.	Himachal Pradesh	0.00	0.11	0.00	0.00
16.	Chandigarh	0.05	0.00	0.07	0.08
17.	West Bengal	0.00	0.00	0.00	0.00
18.	Chhattisgarh	0.00	0.00	0.00	0.00
19.	Andhra Pradesh	0.00	0.00	0.00	0.00
20.	Assam	0.00	0.00	0.00	0.00
21.	Telangana	0.00	0.00	0.00	0.00
22.	Others	0.00	0.04	0.00	0.00
	Total :	280.23	280.88	229.30	308.00

* As on 03.07.2017

Procurement details of pulses at MSP made by FCI under PSF during last three years

Sl. No.	YEAR	PSS OPERATIONS/ COMMODITIES	QUANTITY (IN MTs)	MSP PMT (₹)
1	2016-17	MOONG	64737.24	52250.00
2	(KMS)	TUR	175299.03	50500.00

Annexure - I I
NAFED/NEW DELHI

State -wise procurement of Pulses by NAFED under PSS and PSF at MSP during the year 2014-15 to 2017-18 (As on 10.07.2017)

Qty. in MTs / Value in Rs.Lakh

Year	Scheme	Commodity	State	Quantity	Average Rate of Procurement Rate / MSP (P.Q)	Loose Value
2014-15	PSS	GRAM K-15	MAHARASHTRA	31012.19	3100	9613.78
			GUJARAT	3730.56	3100	1156.47
			MADHYA PRADESH	37760.39	3100	11705.72
			UTTAR PRADESH	2297.15	3100	712.12
			RAJASTHAN	179351.61	3100	55587.75
			ANDHRA PRADESH	45666.85	3100	14156.72
			KARNATAKA	14098.60	3100	4370.57
			TOTAL	313917.34		97303.13
2015-16	NIL					
2016-17	PSS	MOONG K-2016	MAHARASHTRA	6430.28	4800+425	3359.82
			KARNATAKA	1837.30	4800+425	959.99
			TOTAL	8267.58		4319.81
	PSS	TOOR K-16	GUJARAT	49797.10	4625+425	25147.54
			MAHARASHTRA	115276.03	4625+425	58214.40
			KARNATAKA	30920.55	4625+425	15614.88
			TOTAL	195993.68		98976.81
	PSF	MOONG K-16	RAJASTHAN	114605.23	4800+425	59881.23
			MADHYA PARDESH	598.82	4800+425	312.88
			HARYANA	1069.35	4800+425	558.74
			ANDHRA PRADESH	2535.73	4800+425	1324.92
			TELANGANA	1809.56	4800+425	945.50
			TOTAL	120618.69		63023.27
	PSF	TOOR K-16	MAHARASHTRA	321278.49	4625+425	162245.64
			MADHYA PRADESH	84555.81	4625+425	42700.68
ANDHRA PRADESH			54.00	4625+425	27.27	
TELANGANA			155395.6	4625+425	78474.78	
KARNATAKA			242922.72	4625+425	122675.97	
GUJARAT			115460.13	4625+425	58307.37	
TOTAL			919666.75		464431.71	
2017-18	PSS	MOONG R-17	ODISHA	1405.99	4800+425	734.63
			MADHYA PRADESH	111000.00	4800+425	57997.50
			TOTAL	112405.99		58732.13
	PSS	URAD R-17	MADHYA PRADESH	12463.95	4575+425	6231.975

NAFED/NEW DELHI

State-wise purchase of oilseeds under PSS during the year 2014-15 to 2017-18

Year	Commodity	State	Quantity in MTs	MSP per qtls	Value in Lacs
2014-15	Mustard seed R-2014	RAJASTHAN	1714.821	3050	523.020
	Groundnut Pods R-14	ODISHA	6229.805	4000	2491.920
	Sunflower seed R-2014	ODISHA	338.750	3700	125.340
		HARYANA	3814.463		1411.350
	Total:		4153.213		1536.690
2015-16	Sunflower seed R-2015	ODISHA	76.019	3750	28.507
		HARYANA	4165.870		1562.201
		Total:	4241.889		1590.708
2016-17	Sunflower seed R-2016	ODISHA	164.56	3800	62.533
		HARYANA	4784.752		1818.206
		Total:	4949.312		1880.739
	Milling Copra 2016	TAMILNADU	1170.443	5950	696.414
		ANDHRA PARDESH	3318.5		1974.508
		Total:	4488.943		2670.921
	Ball Copra 2016	TAMILNADU	0.459	6240	0.286
		KARNATAKA	1836.40		1145.914
		Total:	1836.859		1146.200
	Soybean 2016	MAHARASHTRA	162.192	2675+100 (Bonus)	45.008
G.N. Pods K- 2016	GUJARAT	210731.16	4120+100 (Bonus)	88928.550	
2017-18	Mustard Seed R-17	Haryana	36940.180	3600+100 (Bonus)	13667.87
	Sunflower seeds (As on 10.07.2017)	Telangana	112.1	3850+100 (Bonus)	44.28
		Haryana*	2964.74	3850+100 (Bonus)	1171.07

* Procurement is in progress.
