

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

LOK SABHA
STARRED QUESTION NO. 120
TO BE ANSWERED ON THE 18TH DECEMBER, 2018

SALE OF PRODUCE BELOW MSP

*120. SHRI KAUSHAL KISHORE:

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

- (a) whether it is a fact that more than 60 per cent markets in the country are still selling agricultural produce below the Minimum Support Price (MSP);
- (b) if so, the details thereof;
- (c) whether steps are being taken by the Government to improve the situation on the ground in providing at least the MSP to the farmers; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI RADHA MOHAN SINGH)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 120 DUE FOR REPLY ON 18TH DECEMBER, 2018.

(a) & (b): No Madam. The price of agricultural produce is dependent on variety of factors at any given point of time like demand and supply of the produce, climatic conditions, perishable nature of produce and availability of transport. The quality parameters also play an important role in the price of a commodity and procurement under Minimum Support Price (MSP) is subject to certain quality parameters. The price of agricultural produce is usually low immediately after its harvest due to increased supply in the market, which gradually picks up thereafter.

(c) & (d): Under the present procurement mechanism, Government agencies procure the notified agricultural produce of Fair Average Quality (FAQ) at Minimum Support Price (MSP) from farmers in consultation with the concerned State Government, as per prescribed guidelines. However, if farmers get better price in comparison to MSP, they are free to sell their produce in open market. Government has increased the Minimum Support Prices (MSPs) for all notified Kharif & Rabi Crops and other commercial crops for the season 2018-19 with a return of atleast 50 percent over cost of production.

To ensure remunerative prices to farmers for their produce, the Government of India has launched an umbrella scheme 'Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA)'. Under PM-AASHA, the Department of Agriculture, Cooperation and Framers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare implements the Price Support Scheme (PSS) for procurement of pulses,

Contd...2/-

oilseeds and copra. For oilseeds, DAC&FW also implements the Price Deficiency Payment Scheme (PDPS). However, States/UTs have options to choose either PSS or PDPS in a given procurement season with respect to a particular oilseed crop for the entire State. Besides, DAC&FW also implements Private Procurement & Stockist Scheme (PPSS) for oilseeds pilot basis and States have the option for implementation of PPSS in district/selected APMC(s) of district involving the participation of private stockist.

Further, under PM-AASHA, procurement for paddy, wheat and coarse grains are done by Department of Food & Public Distribution (DFPD) through Food Corporation of India (FCI). Further, Cotton and Jute are procured by the Ministry of Textiles through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI) respectively as per extant guidelines.

Procurement under Central Pool for Wheat has increased from 229.62 Lakh Metric Ton (LMT) in 2016-17 to 308.24 LMT in 2017-18 and further increased to 357.95 LMT during 2018-19. Similarly, the procurement under Central Pool for Paddy in terms of Rice has been 357.95 Lakh Metric Ton (LMT) in 2016-17, 381.85 LMT in 2017-18 and has been 211.03 LMT so far, during the ongoing procurement for 2018-19.

Under Price Support Scheme (PSS), during Kharif Marketing Season (KMS) 2017-18, sanctions were accorded for procurement of 33,94,290 MT of pulses and oilseeds in 9 States through 866 centres and for KMS 2018-19, sanctions were accorded so far for pulses and oilseeds for 50,20,499 MT (including PDPS) in 11 States through 2066 centres.