

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.219**  
TO BE ANSWERED ON THE 11<sup>TH</sup> DECEMBER, 2018

**MINIMUM SUPPORT PRICE**

219. SHRI GUTHA SUKENDER REDDY:

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

- (a) whether the Government has taken note of the dharna of Kisan Khet Mazdoor Congress which made an agitation on the Parliament Street seeking redressal of their problems viz, Minimum Support Price for their crops, increase in farmers suicides during the last four years, clearing their debts, etc. and if so, the details thereof;
- (b) whether it is true that even though Centre has announced MSP for some crops it is not sufficient and moreover there are no proper system to purchase farmers' products; and
- (c) whether the Government has taken any decision in the matter to alleviate the problems of farming community, 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 GAJENDRA SINGH SHEKHAWAT)

- (a): From time to time, some farmers and farmers' organizations have been agitating and making certain demands like increase in Minimum Support Prices (MSPs) for agricultural crops and other agricultural policies.
- (b): The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times the cost of production. Accordingly, Government has increased the Minimum Support Prices (MSPs) for all notified Kharif, Rabi and other commercial crops with a return of atleast 50 percent of cost of production for the season 2018-19. This decision of the Government was also a historic one as it redeemed the promise of fixing the MSPs atleast at a level of 50 per cent return over cost of production.

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As per the existing arrangements, procurement is made of the crops for which MSPs are announced through Central and State agencies. In so far as cereals/nutri cereals are concerned, they are procured through Food Corporation of India (FCI) and decentralized procurement system mainly for distribution under the public distribution system (PDS), for welfare schemes and buffer stocking for food security. Government implements Price Support Scheme (PSS) for procurement of oilseeds, pulses and cotton through Central Nodal Agencies at MSP declared by the Government. This scheme is implemented at the request of the state government concerned which agrees to exempt the procured commodities from levy of mandi tax and other state duties. The basic objectives of PSS are to provide remunerative prices to the growers for their produce with a view to encourage higher investment and production and to safeguard the interest of the consumers by making available supplies at reasonable price with low cost of intermediation.

The recently launched Umbrella Scheme Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) provides for a holistic arrangement for assurance of a remunerative and stable price environment for growers /farmers to increase agriculture production and productivity. This Umbrella Scheme comprises Price Support Scheme (PSS) for pulses & oilseeds, Price Deficiency Payment Scheme (PDPS) & Pilot of Private Procurement & Stockist Scheme (PPSS) for oilseeds to ensure MSP to the farmers.

(c): Government is committed to farmer's welfare and towards this objective it has changed its strategy from being production centric to an income centric one. The MSP policy whereby the farmers are assured of a minimum of 50 percent as margin of profit is another progressive step forward in a series of reforms that the Government has been rolling out for the last 4 years, committed as it is to doubling farmers' income by 2022 and improving the welfare substantively. At present, the Government is implementing various schemes and recalibrating them based on the suggested intervention to synchronise with higher gains for the farmers which include Soil Health Cards (SHC), production and availability of quality seeds, Pradhan Mantri Krishi Sinchai Yojana (PMKSY), e- National Agriculture Market (e-NAM), Pradhan Mantri Fasal Bima Yojana (PMFBY), Paramparagat Krishi Vikas Yojana (PKVY), National Mission for Sustainable Agriculture (NMSA) and promotion of allied activities like dairying, poultry, beekeeping and fisheries.

Budget for 2018-19 has announced its intent to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs). Toward this end an Agri-Market Infrastructure Fund with a corpus of Rs 2000 crore has been proposed. These GrAMs, electronically linked to e-NAM and exempted from regulations of Agricultural Produce Marketing Committee (APMCs), will provide farmers facility to make direct sale to consumers and bulk purchasers.