

**GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION**

**LOK SABHA
UNSTARRED QUESTION NO. 4832
TO BE ANSWERED ON 23rd JULY, 2019**

SHORTFALL IN PROCUREMENT OF FOODGRAINS

4832. SHRI D.K. SURESH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government is aware that Support Price fixed by the Government is lower than the open market sales price, if so, the details thereof**
- (b) whether it is also true that farmers are getting higher price than the support price fixed by the Government; and**
- (c) if so, whether the Government is taking any corrective measures to increase the support price for various crops, if so, the details thereof and if not, the reasons therefor?**

A N S W E R

**MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD &
PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)**

(a) and (b): This Department deals with procurement of wheat, paddy and coarsegrains at the Minimum Support Price (MSP). However, if any producer/farmer gets better price in comparison to MSP, he is free to sell his produce in open market.

Government fixes MSPs for 22 mandated agricultural crops and fair & 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.

(c): As informed by the Department of Agriculture Cooperation & Farmers Welfare, the Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at a level of at least one and half times of the cost of production. Accordingly, Government had increased MSPs for all mandated crops with a return of at least 50 percent over all India weighted average cost of production for the season 2018-19. Government has recently increased the MSPs for all Kharif crops for 2019-20 season in line with the principle of providing at least 50 percent return over all India weighted average cost of production.
