

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

**LOK SABHA**  
**STARRED QUESTION NO.76**  
TO BE ANSWERED ON THE 7<sup>TH</sup> FEBRUARY, 2023

**DIFFERENCE IN MARKET PRICE AND MSP**

\*76. SHRI UTTAM KUMAR REDDY NALAMADA:

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

- (a) The number of days when the Market Prices was at or above Minimum Support Price (MSP) for Paddy, Maize, Tur, Urad, Moong and Groundnut year-wise since 2019;
- (b) The figure for average percentage difference between Market Price and MSP for the above crops, State-wise and year-wise since 2019;
- (c) The expenditure made by the Government on Price Support Scheme (PSS), Market Intervention Scheme (MIS) and Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) during the said period; and
- (d) The quantities purchased under PSS, MIS and PM-AASHA schemes during this period, crop-wise?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

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

**STATEMENT REFERRED TO IN REPLY TO PART (a) to (d) OF LOK SABHA STARRED QUESTION NO. 76 DUE FOR ANSWER ON 07.02.2023 REGARDING DIFFERENCE IN MARKET PRICE AND MSP.**

(a) to (d): Government fixes Minimum Support Prices (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 & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned. MSPs are announced every year, well before the sowing season so that the farmers can take an informed decision for sowing a particular crop. While recommending the MSP, CACP considers factors like overall demand-supply conditions, cost of production, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors, the likely effect on the rest of the economy, besides ensuring rational utilization of land, water and other production resources. Further, to ensure remunerative prices to the farmers, Government in its Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a margin of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards.

To realize the objectives of MSP Policy, Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Additionally, Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of PM-AASHA, as per its guidelines at MSP in consultation with the concerned State Government as and when market price of these produce fall below the MSP. The expenditure incurred by the Central Government on PM-AASHA and MIS schemes since 2019-20 are as under :-

Year	Expenditure (in Rs. crore)
2019-20	2317.78
2020-21	1357.80
2021-22	2290.32

The quantities purchased / procurement details under PSS since 2019-20 are given at **Annexure**.

Further, Market Intervention Scheme (MIS) is also implemented for procurement of horticultural / agricultural commodities which are perishable in nature, and for which MSP is not announced.

MSP is announced for Kharif and Rabi Marketing seasons every crop year, on pan India basis for mandated crops of Fair Average Quality (FAQ). Market Prices of agricultural produce are spot prices and are influenced by several factors such as quality of produce, variety, seasonality, arrivals, availability of stocks and enabling agriculture infrastructure and transportation. It would not be appropriate to compare them with MSP for agriculture produce.

Statement referred to in Lok Sabha Starred Question No. 76 due for reply on 07-02-2023

<b>Procurement details of Pulses,oilseeds &amp; copra procured at MSP under PSS from 2019-20 to 2022-23 (as on 31.01.2023)</b>	
<b>Year/Category/Commodity</b>	<b>Quantity Procured (in MTs)</b>
<b>2019-20</b>	<b>43,97,588.68</b>
<b>Oil seed</b>	<b>15,43,187.86</b>
COPRA	313.84
GROUNDNUT	7,23,085.62
MUSTARD SEED	8,03,843.64
SOYABEAN	10,677.68
SUNFLOWER SEED	5,267.08
<b>Pulses</b>	<b>28,54,400.82</b>
GRAM	21,58,434.06
MASOOR	1,433.68
MOONG	1,47,130.39
TOOR	5,47,270.38
URAD	132.31
<b>2020-21</b>	<b>11,12,259.19</b>
<b>Oil seed</b>	<b>2,95,212.34</b>
COPRA	5,088.92
GROUNDNUT	2,86,233.33
MUSTARD SEED	0.68
SOYABEAN	3.69
SUNFLOWER SEED	3,885.72
<b>Pulses</b>	<b>8,17,046.85</b>
GRAM	6,37,545.78
MASOOR	18.35
MOONG	1,67,391.20
TOOR	11,004.46
URAD	1,087.06
<b>2021-22</b>	<b>31,82,591.64</b>
<b>Oil seed</b>	<b>1,51,634.73</b>
COPRA	32.95
GROUNDNUT	1,49,696.34
SUNFLOWER SEED	1,905.44
<b>Pulses</b>	<b>30,30,956.91</b>
GRAM	26,29,460.83
MOONG	3,63,274.09
TOOR	36,184.14
URAD	2,037.85
<b>2022-23</b>	<b>1,68,046.19</b>
<b>Oil seed</b>	<b>47,926.50</b>
COPRA	40,849.36
GROUNDNUT	7,077.14
<b>Pulses</b>	<b>1,20,119.69</b>
MOONG	1,20,109.94
URAD	9.75

Note:- During Kharif 2018-19 season a quantity of 16.83 lakh MT of Soyabean was supported under PDPS in the state of Madhya Pradesh.