

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

LOK SABHA
UNSTARRED QUESTION NO.2425
TO BE ANSWERED ON THE 3RD DECEMBER, 2019

DEMAND FOR HIGHER SUPPORT PRICE FOR AGRICULTURAL PRODUCTS

2425. SHRI JANARDAN SINGH SIGRIWAL:

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

- (a) whether the Government has received requests from various farmers' associations and other stakeholders to announce higher support price for agricultural commodities during the current year for kharif and rabi crops;
- (b) if so, the details thereof and the action taken by the Government on these requests;
- (c) the details of Minimum Support Price (MSP) announced for the above crops by the Government so far;
- (d) whether the Government proposes to procure the agricultural commodities through its agencies directly from the farmers without the involvement of middlemen; and
- (e) if so, the steps taken by the Government to ensure that the farmers get adequate support price for their produce?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): The Minimum Support Price (MSP) is announced on the basis of recommendations of Commission for Agricultural Costs and Prices (CACP). While recommending MSP, CACP seeks views of various Central Ministries, State Governments, Farmers, Farmers Association and Research Institutes, industry and other stakeholders. Besides, CACP also collects the inputs/information through questionnaires from various stakeholders.

On the basis of recommendation of CACP, Government has increased the MSP of kharif and rabi crops of 2019-20 season. This increase in MSP is in line with the principle of providing 50 per cent return over all India weighted average cost of production which was announced in the Union Budget 2018-19. The details of MSP announced for kharif and rabi crops of 2019-20 season is given in **Annexure I**.

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(d) & (e): Under the present procurement mechanism, Government agencies procure the notified agricultural produce of Fair Average Quality (FAQ) at MSP from farmers in consultation with the concerned State Government, as per prescribed guidelines.

Government has taken several steps to provide remunerative prices to farmers for their produce which include undertaking procurement through designated procurement agencies, implementing e-National Agriculture Market (e-NAM), enacting the Model Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 and promoting Farmer Producer Organizations (FPOs).

The Government is working on market architecture so as to ensure that farmers get remunerative prices on their produce. These include setting up of Gramin Agricultural Markets (GrAMs) with a view to promote 22,000 number of retail markets in close proximity of farm gate; competitive and transparent wholesale trade at APMC through e-NAM.

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

MSP operations are given wide publicity through pamphlets, banners, sign boards, radio, TV and advertisements through print & electronic media. In addition to that farmers are made aware of the quality specifications and purchase system to facilitate the farmers to bring their produce conforming to the specifications.

Government's price policy is to ensure remunerative prices to farmers by offering to procure their produce at MSP. However, farmers are free to sell their produce to the Government procurement agencies at MSP or in the open market whichever is advantageous to them.

Annexure I

Annexure referred to in reply to part (a) to (c) of Lok Sabha Unstarred Question No. 2425 due for reply on 03.12.2019.

(Rs. per quintal)

Sl. No.	Commodity	MSP 2019
	<u>KHARIF CROPS</u>	
1	PADDY(Common)	1815
2	JOWAR (Hybrid)	2550
3	BAJRA	2000
4	MAIZE	1760
5	RAGI	3150
6	ARHAR (Tur)	5800
7	MOONG	7050
8	URAD	5700
9	COTTON (Medium Staple)	5255
10	GROUNDNUT	5090
11	SUNFLOWERSEED	5650
12	SOYABEAN (Yellow)	3710
13	SESAMUM	6485
14	NIGERSEED	5940
	<u>RABI CROPS#</u>	
1	WHEAT	1925
2	BARLEY	1525
3	GRAM	4875
4	MASUR (LENTIL)	4800
5	RAPSEED & MUSTARD	4425
6	SAFFLOWER	5215

MSP for Rabi Crops for 2019-20 is announced for Rabi Marketing Season 2020-21
