

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

LOK SABHA
UNSTARRED QUESTION NO. 1532
TO BE ANSWERED ON 20th SEPTEMBER, 2020

PROVISION FOR ADEQUATE MSP

†1532. SHRI NARANBHAI KACHHADIYA:
SHRI PARBATBHAI SAVABHAI PATEL:
SHRI JASWANT SINGH BHABHOR:

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 has developed any suitable mechanism to ensure that farmers would get enhanced Minimum Support Price (MSP) on their surplus agricultural produce;
- (b) if so, the details thereof;
- (c) whether the Government proposes to take action against the wholesale traders who do not purchase Kharif crops at the MSP;
- (d) if so, the details thereof;
- (e) whether the Government will procure surplus agricultural products directly from farmers in case of wholesaler do not purchase the said produce on MSP; and
- (f) if so, the details thereof?

A N S W E R

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

(a) to (f): The procurement policy of Government of India (GOI) is open ended, under which paddy and wheat offered by farmers within the stipulated period (conforming to specifications prescribed in advance by GOI) are purchased for Central Pool at Minimum Support Price (MSP) by Food Corporation of India/ State Governments/ State Government Agencies, to help farmers get remunerative price and prevent distress sale. However, if any producer/ farmers get better price in comparison to MSP, he/she is free to sell his/her produce in open market.

Coarsegrains are procured at MSP by State Governments as per the procurement plan prepared in consultation with FCI and approved by the Central Government, subject to its distribution by the State Government under National Food Security Act (NFSA)/ Other Welfare Schemes (OWS).

In order to provide remunerative price to the farmers, Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare implements "Pradhan Mantri Annadata Aay SanraksHan Abhiyan" (PM-AASHA), comprising Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement and Stockist Scheme (PPSS). Under PM-AASHA, States/UTs are offered to choose either of PSS and PDPS in a given procurement season with respect to particular oilseeds crop for the entire State. The pulses and copra are procured under PSS. Only one scheme i.e PSS or PDPS will be made operational in one State with respect to one commodity. Further, State have the option to roll out Private Procurement and Stockist Scheme (PPSS) on pilot basis in district/selected APMC(s) of district involving the participation of private stockist for oilseeds.

Further, Government of India, through Cotton Corporation of India (CCI) undertake MSP Operation in the event when prices of seed cotton (kapas) touch the MSP level to procure entire quantity of kapas offered by the cotton farmers in various Agricultural Produce Market Committees (APMCs) market yards at MSP rates without any quantitative limits. Similarly, Jute Corporation of India procure jute in all the jute growing states through the Direct Purchase Centres (DPCs), if prices falls below MSP.
