

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

LOK SABHA
UNSTARRED QUESTION NO. 4547
TO BE ANSWERED ON THE 23RD MARCH, 2021

REMUNERATIVE PRICE FOR FARMERS

4547. SHRI HAJI FAZLUR REHMAN:

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

- (a) whether the farmers in various States of the country especially Uttar Pradesh are unable to sell their crops at remunerative price as compared to the cost of production of their crops;
- (b) if so, the steps taken by the Government in this regard;
- (c) whether the Government proposes to release relief package to improve the condition of farmers of Uttar Pradesh;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (e): Government announces Minimum Support Prices (MSP) for 22 major agricultural commodities of Fair Average Quality (FAQ) each year in both the Crop seasons on the basis of recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned & other relevant factors. In addition, MSP for toria and de-husked coconut is also fixed on the basis of MSPs of rapeseed & mustard and copra respectively. While recommending MSPs, CACP considers important factors like cost of production, overall demand-supply conditions, domestic and

international prices, inter-crop price, 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 and a minimum of 50 percent as the margin over cost of production in case of MSPs. Government also extends remunerative price to farmers through its various interventions schemes. Besides, the overall market also responds to declaration of MSP and Government's procurement operations which results in private procurement on or above the MSP for various notified crops.

The Government extends price support for all the MSP notified crops across the country including Uttar Pradesh. The procurement of paddy and wheat are done through the Food Corporation of India (FCI) and State Agencies. Further, different types of nutri-cereals and maize are procured by State Governments itself in consultation with FCI to the extent that the concerned State Government may utilise the same for distribution under Targeted Public Distribution System (TPDS) as well as Other Welfare Schemes (OWS).

Under Price Support Scheme(PSS), Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers, as per its prescribed guidelines at MSP in consultation with the concerned State Government as and when market price of these produce fall below the MSP. Under PM-AASHA, States / UTs are offered to choose either Price Support Scheme (PSS) or Price Deficiency Payment Scheme (PDPS) in a given procurement season with respect to particular oilseeds crop for the entire State. Further, States 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.

Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI) respectively. Moreover, if farmer gets better price in comparison to MSP, they are free to sell their produce in open market.

Further, to protect the growers of those horticultural / agricultural commodities for which Minimum Support Price (MSP) is not declared and which are perishable in nature, Government implements Market Intervention Scheme (MIS). The objective of intervention is to protect the growers from making distress sale. In accordance with MIS guidelines, this scheme is implemented at the request of a State / UT. Government which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation.
