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

## LOK SABHA

# UNSTARRED QUESTION NO. 2491

TO BE ANSWERED ON THE 3RD AUGUST, 2021

#### **FARMERS BENEFITED THROUGH MSP**

2491. SHRI RODMAL NAGAR: KUNWAR DANISH ALI:

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

- (a) the percentage of farmers benefited through Minimum Support Price (MSP) along with the details thereof;
- (b) the scheme of the Government for those farmers who have not got the benefit of Minimum Support Price (MSP) along with the details thereof;
- (c) whether the Government proposes any scheme/legal provision for criminal action against defaulting buyers/companies to prevent the procurement of produce at the price lower than the MSP;
- (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) & (b): The procurement at Minimum Support Price (MSP) is being done by Central and State Agencies under various schemes of Government. 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. Therefore, accurate number of farmers benefiting from MSP declaration is difficult to assess. However, the farmers benefitted from Government procurement at MSP is as under:-

| Year          | 2018-19     | 2019-20     | 2020-21     |
|---------------|-------------|-------------|-------------|
| No of Farmers | 1,71,50,873 | 2,04,63,590 | 2,10,07,563 |

(c) to (e): Government of India announces Minimum Support Prices (MSP) for 22 major agricultural commodities of Fair Average Quality (FAQ) each year in both the Crop seasons after taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP). Government also extends remunerative price to farmers through its various interventions schemes.

For making effective procurement by Government agencies at MSP and providing maximum benefits of MSP to the farmers, procurement centres are opened by respective State Government Agencies and Central Nodal Agencies like NAFED, FCI etc. after taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. large number of the purchase centres in addition to the existing Mandis and depots / godowns are also established at key points for the convenience of farmers to ensure procurement at MSP.

Moreover, if the farmers gets favourable terms to sell his produce or better price than MSP, they are free to sell their produce anywhere other than the Govt agencies.

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