

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

LOK SABHA
UNSTARRED QUESTION NO. 308
TO BE ANSWERED ON THE 30TH NOVEMBER, 2021

LEGAL BACKING FOR MSP

308. SHRI K. MURALEEDHARAN:

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

- (a) whether the Government has any plan to introduce legal backing to the Minimum Support Price (MSP) to agricultural products;
- (b) if so the details thereof; and
- (c) the steps taken by the Government on MSP?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): 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 extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Under this policy, whatever food grains are offered by farmers within the stipulated period & conforming to the specifications prescribed by Government are purchased at Minimum Support Price (MSP) by the State Government agencies including FCI for Central Pool. It aims to service the National Food Security Act (NFSA) and other welfare schemes of the Government so that subsidized food grains are supplied to the poor and needy, and to build up buffer stocks of food grains to ensure food grain security.

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).

Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA), as per its prescribed guidelines at MSP in consultation with the concerned State Government. 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).

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.
