

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

UNSTARRED QUESTION NO. 4106

TO BE ANSWERED ON THE 25TH MARCH, 2025

FUNDS ALLOCATED FOR PROCUREMENT OF CROP AT MSP IN HARYANA

4106. KUMARI SELJA :

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

- (a) the details of the fund allocated every year for procuring crops at MSP in Haryana during the last ten years; and
- (b) whether the Union Government gives legal status of MSP or this is done by the State Government?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) : State wise funds are not allocated for procuring crops at Minimum Support Price (MSP). Instead, Department of Agriculture & Farmers Welfare reimburses the losses, if any, incurred by Central Nodal agencies in undertaking MSP operations of notified pulses, oilseeds & copra. Further, Department of Food & Public Distribution (DFPD) reimburses the expenditure incurred by States that have opted Decentralized Procurement (DCP) mode after distribution of food grains under Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY). As, Haryana is a non-DCP state, no food subsidy is being released by DFPD to Haryana.

(b) : Government of India announces 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), after considering the views of State Governments and Central Ministries/Departments concerned and other relevant factors. Apart, the MSPs of Rapeseed & Mustard and Copra is the basis for fixing the MSP for Toria and De-husked Coconut respectively. The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of at least one and half times of the cost of production. Accordingly, Government had increased the MSPs for all mandated Kharif, Rabi and other commercial crops with a return of at least 50 per cent over all India weighted average cost of production from the agricultural year 2018-19. Government also extends remunerative prices to farmers through its various interventions schemes. Besides, the overall market responds to the current MSP and Government's procurement operations that oblige the market for private procurement on or above the MSP for various notified crops.

Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Further, different types of nutri-cereals (Millets) and coarse grains are procured by various State Governments it's own in consultation with FCI to the extent that the concerned State Government may utilize them for the distribution under Targeted Public Distribution System (TPDS) as well as in Other Welfare Schemes (OWS). Price Support Scheme, a component of the integrated Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA), is implemented within the stipulated period as and when the market prices of agricultural commodities fall below the notified MSP during peak harvesting period to provide the remunerative price to the farmers. The procurement of the notified pulses, oilseeds and copra conforming to the prescribed Fair Average Quality (FAQ) is undertaken by the Central Nodal Agencies (CNAs) like National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and National Co-operative Consumers' Federation of India Ltd. (NCCF) at the MSP directly from the pre-registered farmers through the State level agencies. Further, in order to incentivize the farmers for its contribution for the enhancement of domestic production and to reduce the dependence on import, the Government has allowed the procurement of **Tur (Arhar), Urad and Masur** under PSS equivalent to 100% of the production of the State for the procurement year 2023-24 and extended it further for the year 2024-25 also. The Central Nodal Agencies would undertake the procurement of 100 % of **Tur (Arhar), Urad and Masur** under the PSS from the farmers those registered on e-Samridhi of NAFED and e-Sanyukti of NCCF. Further, Cotton and Jute are procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI) respectively.

For the making effective procurement at MSP by Government Agencies and providing maximum benefits of MSP to the farmers, procurement centers are opened by respective State Government Agencies and Central Nodal Agencies like NAFED, NCCF, 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. In addition to the existing Mandis and Depots/Godowns, a large number of the procurement centres are also set up at key points for the convenience of farmers.
