

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2174

ANSWERED ON:10.03.2015

MSP FOR AGRICULTURAL PRODUCE

Ajmal Shri Sirajuddin;Birla Shri Om;Chinnaraj Shri Gopalakrishnan;Jena Shri Rabindra Kumar;Khuba Shri Bhagwanth;Kumar Shri P.;Meena Shri Harish Chandra;Reddy Shri J.C. Divakar;Shanavas Shri M. I.;Sundaram Shri P.R.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has announced MSP for kharif crops including paddy for 2015-16 alongwith the details of MSP of various agricultural produce during the last three years and current year;
- (b) if so, the details thereof, commodity-wise, year-wise;
- (c) the details of the procedure adopted by the Government to fix the MSP of agricultural produce;
- (d) whether the Government is considering to increase the MSP of various agricultural produce, if so, the details thereof;
- (e) whether the Government proposes to procure the agricultural commodities through its agencies directly from the farmers without the involvement of middlemen; and
- (f) if so, the details thereof along with the various steps taken by the Government to ensure that the farmers get adequate support price for their produce?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MOHANBHAI KUNDARIA)

(a) to (d): The Government has not announced Minimum Support Prices (MSPs) of Kharif crops including paddy for 2015-16 Season. The MSPs of Kharif crops for 2012-13 to 2014-15 are at Annexure .

Government fixes MSPs of various kharif and rabi crops every year on the recommendations of Commission for Agricultural Costs & Prices (CACP), views of concerned State Governments and Central Ministries/Departments and other relevant factors.

(e) & (f): Procurement under MSP is undertaken by the designated Central and State Government agencies and Cooperatives. MSP is in the nature of minimum price offered by the Government. Producers have the option to sell their produce to Government agencies or in the open market as is advantageous to them.

To ensure that farmers get adequate price for their produce, States/ UTs have been advised to amend their respective State APMC Acts on the lines of Model Act, 2003. The Model Act provides for direct marketing, contract farming, farmers/consumer markets, setting up of markets in private and cooperative sectors, e-trading etc. Further, in order to encourage investment in marketing infrastructure development, Government is, interalia, implementing capital investment subsidy schemes such as development/strengthening Agricultural Marketing Infrastructure, Grading and Standardistaion (AMIGS) and Gramin Bhandaran Yojana (GBY). In addition, Government is also implement- ing Marketing Research and Information Network (MRIN) with the objective to collect and disseminate prices and arrival data for the benefit of farmers and other stakeholders to facilitate the farmers in taking better production and marketing decisions to get more remunerative prices for their produce.