

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:3508
ANSWERED ON:11.08.2015
MSP and Procurement
Chaudhary Shri P.P.;Joshi Shri Chandra Prakash

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government fixes the Minimum Support Price (MSP) of various agriculture products for procurement by Government agencies, if so, the details of the norms, process and system for fixing the MSP; and
- (b) whether the Government procures all the produce offered by the farmers at MSP, if so, the details thereof indicating the MSP fixed and the quantum of various products brought to the market and procured by the Government agencies during each of the last three years and the current year, product, procurement agency and State-wise?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a): Yes, Madam. Government fixes the Minimum Support Prices (MSPs) of various agriculture products for procurement by Government agencies based on the recommendation of Commission for Agricultural Costs and Prices (CACP), views of State Governments, concerned Central Ministries and other relevant factors. While formulating its recommendations on price policy, CACP considers various important factors that include cost of cultivation, trends in market prices, demand and supply situation, effect on general price level, effect on cost of living etc.

(b): Yes, Madam. The Government procures all the produce at MSP offered by the farmers which are covered under MSP operation. The details of MSP fixed by the Government for various products during last three years and the current year are at Annex-I. The State-wise and Commodity-wise details of quantity offered by the farmers and procured by the Agencies of Ministry of Consumer Affairs, Food & Public Distribution during each of the last three years and the current year are at Annex-II, III & IV.
