

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

LOK SABHA
UNSTARRED QUESTION NO.3436
TO BE ANSWERED ON THE 7TH AUGUST, 2018

MSP FOR AGRICULTURAL PRODUCE

3436. SHRI TARIQ ANWAR:
SHRI NAGAR RODMAL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ±ãðŠãäÓã एवं किसान कल्याण ½ãâ"ããè
be pleased to state:

- (a) whether the Government has constituted any agency or committee to ensure that the farmers get the Minimum Support Price (MSP) set by the Government for their crops for welfare of the farmers;
- (b) if so, the steps being considered to be taken by the Government in this regard and the time by which the Government is targetting to provide MSP to farmers at one and a half times of the cost of their crops; and
- (c) the extent to which the financial burden is likely to increase after implementation of the new MSP scheme?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

±ãðŠãäÓã एवं किसान कल्याण ½ãâ"ããÈã¾ã ½ãñâ Äã¾ã ½ãâ"ããè (SHRI PARSHOTTAM RUPALA)

(a) & (b): There is already a procurement mechanism, under which, Government extends price support to paddy and wheat through the FCI and State Agencies across the country. The procurement policy is open ended. Under this policy, whatever food grains are offered by farmers, within the stipulated period & conforming to the specifications prescribed by Government are purchased at notified Minimum Support Price (MSP) by the State Government agencies including Food Corporation of India (FCI) for Central Pool. Further, pulses and oilseeds of Fair Average Quality (FAQ) are procured from farmers under Price Support System (PSS), as per its prescribed guidelines at notified MSP in consultation with the concerned State Government as and when market price of these produce fall below the MSP. However, if producer/farmer gets better price in comparison to MSP, they are free to sell their produce in open market.

(c): In respect of financial impact of increase in MSP of paddy for KMS 2018-19, the additional financial burden of more than Rs.12000 crore is likely to be borne by the Government of India with the same level of procurement at last season. Further, to ensure smooth procurement of oilseeds, pulses and cotton at MSP, Government Guarantee has been provided to central procuring agencies (which is revised from time to time based on the requirement) to undertake procurement operations. However, Budget is allocated for reimbursement of the losses, if any, incurred by Central procuring agencies.
