

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

LOK SABHA
UNSTARRED QUESTION NO.1769
TO BE ANSWERED ON THE 2ND JULY, 2019

MSP FOR ONION

1769. DR. BHARATI PRAVIN PAWAR:

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

- (a) whether the Government/Cabinet Committee on Economic Affairs (CCEA) is considering to impose Minimum Support Price (MSP) for several agricultural produce, majorly onion;
- (b) if so, the details thereof along with the produce covered thereunder; and
- (c) the details of the benefits likely to be accrued therefrom?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): Government presently fixes minimum support prices (MSPs) for 22 mandated agricultural crops viz. paddy, jowar, bajra maize, ragi, arhar, moong, urad, groundnut-inshell, soyabean, sunflower, sesamum, nigerseed, cotton, wheat, barley, gram, masur (lentil), rapeseed/mustard, safflower, jute and copra and fair & remunerative price (FRP) for sugarcane on the basis of the recommendations of the Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned and other relevant factors. In addition, MSPs for toria and de-husked coconut are also fixed on the basis of MSPs of rapeseed/mustard and copra respectively. These MSP crops cover approximately 99 per cent of the total agricultural output (does not include horticulture) in the country. Government offers to procure agricultural produce conforming to the prescribed Fair Average Quality(FAQ) norms at MSP through designated agencies.

Government implements Market Intervention Scheme (MIS) for horticultural crops including onion which are perishable in nature and some agricultural crops which are not covered under the MSP on the request of State/UT Government concerned. The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production. The condition as per the scheme is that there should be either at least a 10 percent increase in production or a 10 percent decrease in the ruling market prices over the previous normal year. The scheme is implemented at the request of a State/UT government which is ready to bear 50 percent of the loss (25 percent in case of North-Eastern States), if any, incurred on its implementation.