

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4286**  
TO BE ANSWERED ON THE 29<sup>TH</sup> MARCH, 2022

**ADEQUATE REMUNERATION TO FARMERS**

4286. SHRIMATI HARSIMRAT KAUR BADAL :

Will the Minister of AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the farmers in the country are not able to sell their crops and are not getting remunerative price which is 50% more than the input costs and value of production;
- (b) if so, the details and the steps taken by the Government in this regard;
- (c) whether the Government has allayed the apprehensions of farmers that the Government's model mechanism of CACP which calculates cost of inputs to determine the MSP is not faulty; and
- (d) if so, the action taken thereon?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (d) : Government of India announces Minimum Support Prices (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/Department concerned and other relevant factors. In addition, MSP for toria and de-husked coconut is also fixed on the basis of MSPs of rapeseed & mustard and copra 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 price to farmers through its various interventions schemes. Besides, the overall market also

responds to declaration of MSP and Government's procurement operations which results in 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 and maize are procured by State Governments itself in consultation with FCI to the extent that the concerned State Government may utilise the same for distribution under Targeted Public Distribution System (TPDS) as well as Other Welfare Schemes (OWS). Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of Pradhan Mantri Annadata Aay Sanraks Han Abhiyan (PM-AASHA), as per its prescribed guidelines at MSP in consultation with the concerned State Government. Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI).

For making effective procurement by government agencies at MSP and providing maximum benefits of MSP to the farmers, procurement centers are opened by respective State Government Agencies and Central Nodal Agencies like NAFED, 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. large number of the purchase centers in addition to the existing mandis and depots/godowns are also established at key points for the convenience of farmers.

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