

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

RAJYA SABHA
UNSTARRED QUESTION NO- 642
TO BE ANSWERED ON 03/12/2021

BENEFITS OF MSP TO FARMERS

642. SHRI K. C. VENUGOPAL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether it is a fact that unlike salaried people whose salary increases over time, farm incomes do not remain protected with rise in inflation and input costs and living costs continue to increase;
- (b) if so, the steps Government would take to safeguard the interest of farmers;
- (c) whether it is also a fact that benefit of Minimum Support Price (MSP) has not reached to all the farmers besides the business men who are taking benefits of MSP; and
- (d) if so, the manner in which Government would achieve its goal of doubling the income of farmers ?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI NARENDRA SINGH TOMAR)

(a) & (b): Government announces Minimum Support Price (MSP) to ensure remunerative prices to the growers for their produce and encourage higher investment and production. The Government in its Union Budget for 2018-19 had announced the pre-determined Principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards.

Cost of production is one of the important factors in the determination of MSP. While recommending its price policy, the CACP considers all costs in a comprehensive manner. CACP projects the cost of cultivation for the current year on the basis of Composite Input Price Index (CIPI) which measures the change in input price over previous year. The CIPIs are based on latest prices of major inputs like human labour, bullock labour, machine labour, fertilisers and manures, seeds, pesticides and irrigation as per data available from different ministries/ departments.

Contd....2/-

(c): Over 894.19 LMT of paddy procured on MSP for Kharif Marketing Season (KMS) 2020-21, as against 770.93 LMT of corresponding figure last year, benefitting about 131.13 lakh farmers.

Around 433.44 LMT wheat procured for Rabi Marketing Season (RMS) 2021-22, against the last year corresponding purchase of 389.93 LMT, benefitting about 49.20 Lakh farmers.

As on 27th November, 2021, the Government through its Nodal Agencies has procured 8.37 LMT of Pulses and Oilseeds having MSP value of Rs. 4,65,688.44 lakh benefitting about 5.28 lakh farmers.

(d): Government has taken a “multi pronged approach” to increase the farmer’s income and has been implementing/reorienting various schemes for the same which include Soil Health Card (SHC), Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), e-NAM, Pradhan Mantri Fasal Bima Yojana (PMFBY), Pradhan Mantri Annadata Aay Sanrakshan Abhiyan’(PM-AASHA) among others.
