

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

LOK SABHA
UNSTARRED QUESTION NO.1309
TO BE ANSWERED ON THE 18TH DECEMBER, 2018

MSP OF CROPS

1309. COL. SONARAM CHOUDHARY:
SHRI RAJIV PRATAP RUDY:
SHRI JAI PRAKASH NARAYAN YADAV:

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

(a) the details regarding the total number of farmers who have been benefitted/will be benefitted by the recent increase in MSP for kharif crops at a high level of at least 150 per cent of the cost of production along with the total number of farmers benefitted from MSP in the last four years;

(b) the steps taken by the Government to ensure that the farmers who are not aware of MSP are able to avail MSP;

(c) the policy for fixing MSP for agricultural produce and the mechanism functioning in this regard along with the criteria by which the Government fixes MSP, crop-wise;

(d) whether the Government plans to include more crops under MSP, if so, the details thereof;

(e) whether the National Commission on Agriculture has recommended/demanded to fix the Minimum Support Price for agricultural produce atleast more than 50 per cent of the average production cost, if so, the details thereof;

(f) whether the Government is taking/ proposes to take any concrete steps in the direction of fixing the Minimum Support Price for agricultural produce according to average production cost; and

(g) whether the income of the farmers has been doubled in the year of 2018-19 in comparison to 2014-15 and if so, the annual income of the farmers, State-wise?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a): Details of number of farmers benefitted from procurement of kharif crops at minimum support price (MSP) from 2015-16 to 2018-19 is given below:

Contd...2/-

Commodity	Number of Farmers benefitted			
	2015-16	2016-17	2017-18	2018-19
Paddy	7831399	7423783	7232216	3156982*
Tur	No procurement	399873	788672	174091**
Moong	No procurement	62634	234374	173044**
Urad	No procurement	No procurement	244429	148556**
Groundnut	No procurement	109240	545271	82201**
Soyabean	No procurement	No procurement	42535	8719**

* As on 06.12.2018

** As on 11.12.2018

Source: Department of Food & Public Distribution and National Agricultural Cooperative Marketing Federation of India Ltd (NAFED)

(b): Government gives wide publicity of the MSPs fixed by the Government through various modes of communications like announcement on Press Information Bureau, dissemination through social media and m-kisan portal in regional language and other radio programmes like Kisan Vani and panel discussions on DD Kisan. Government also communicates to all Central Ministries and States/UT Governments concerned for necessary action in this regard.

(c): Government fixes MSPs of 22 mandated agricultural crops and fair & remunerative price (FRP) for sugarcane on the basis of recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned and considering 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.

While recommending MSPs, CACP considers the cost of production and host of factors such as demand-supply situation, trends in domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors and the likely impact of MSP on consumers and overall economy along with rational utilization of scarce natural resources like land and water. The costs considered are comprehensive and include all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses incurred in cash and kind on use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc, miscellaneous expenses and imputed value of family labour.

(d): Currently, there is no proposal to include more crops under MSP.

(e) & (f): The National Commission on Farmers (NCF) headed by Dr. M. S. Swaminathan has recommended that the MSP should be at least 50 percent more than the weighted average cost of production. However, when the National Policy for Farmers, 2007 was finalized, this recommendation of providing 50 per cent returns over cost of production was not included. Dr. M. S. Swaminathan in his Report on NCF had discussed different dimensions of fixing MSPs, but while finalizing National Policy on Farmers, the then Government had accepted the current established methods.

Government has substantially increased MSPs for all mandated crops for the season 2018-19. This decision of the Government was a historic one as it fulfills the commitment to the farmers to provide 50 per cent return over cost of production for the first time for all mandated crops.

(g): The National Sample Survey Office (NSSO) conducted the 'Situation Assessment Survey of Agricultural Households' for the reference Agricultural Year 2012-13 which, *inter-alia*, estimated the average monthly income per agricultural household at Rs. 6426/-.

The next 'Situation Assessment Survey of Agricultural Households' has been decided to be conducted during NSSO's 77th round (January 2019- December 2019) with reference to the agricultural year July 2018-June 2019
