

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

LOK SABHA
UNSTARRED QUESTION NO.2922
TO BE ANSWERED ON THE 13TH MARCH, 2018

PRICE FOR AGRICULTURAL PRODUCE

2922. SHRI MALYADRI SRIRAM:
SHRI PANKAJ CHAUDHARY:

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

- (a) whether Indian farmers are getting maximum prices for their produce despite excessive import of agriculture/food products and if so, the details thereof;
- (b) whether there is any scheme to provide incentive to the farmers for producing good quality crops in abundance in order to promote export of rice, spices, vegetables, fruits produced in the country; and
- (c) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

₣ãðŠãäÓã एवं किसान कल्याण ½ãã"ããÈã¾ã ½ãñâ Äã¾ã ½ãã"ããè (SHRI GAJENDRA SINGH SHEKHAWAT)

(a): The prices of agricultural produce are determined by supply and demand conditions in the market on a day to day basis. The prices of Agricultural produce tend to fall after the harvest season due to increase in market arrival of new crop in a lumpy manner. Government fixes Minimum Support Prices (MSPs) to protect farmers from distress sale. Government has increased the MSPs for both Kharif & Rabi crops for 2017-18 seasons on the basis of the recommendations of Commission for Agricultural Costs and Prices (CACP). The MSPs fixed by the Government provide adequate returns over weighted average cost of production (A2+FL) as estimated by the CACP. While formulating its recommendations on price policy, CACP considers cost of production, trends in market prices, demand and supply situation, effect on general price level, effect on cost of living etc.

The Union Budget for 2018-19 has announced the pre-determined principle to keep MSP at levels of one and half times the cost of production for Kharif crops also as already implemented for Rabi crops in October 2017. The MSPs and all India average monthly wholesale prices of major agricultural commodities are given at Annexure.

As a proportion of overall agricultural production, imports of agricultural produce is not significantly high or excessive. However, as there was an observed shortfall over demand in pulses prior to 2016-17 and this was leading to sharp uptick in prices, tariffs were lowered and imports of 6.61 million tonnes in 2016-17 and 5.33 million tonnes were there. However, as the availability position in pulses improved considerably in 2016-17 and 2017-18, imports duties were revised and other measures taken in 2017-18 to modulate the levels of imports of pulses. Exports of pulses were made free without any quantitative restrictions.

(b) & (c): To offset freight cost and make Indian exports more competitive in international markets, Government is providing rewards ranging from 4% to 7% under Merchandise Exports from India Scheme (MEIS) on export of spices, vegetables and fruits.

ANNEXURE

Annexure referred to in reply to part (a) of Lok Sabha Unstarred Question No. 2922 due for answer on 13.03.2018

MSP and Monthly All India Average Wholesale Prices of Major Agricultural Commodities from January 2017 to December 2017

Rs/Quintal

Commodities	2017-18	2017											
	MSP	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Paddy (Common)	1550	1647	1673	1682	1653	1646	1694	1715	1721	1725	1718	1737	1716
Rice	-	3253	3342	3361	3345	3363	3362	3392	3348	3380	3409	3354	3340
Bajra	1425	1712	1688	1696	1715	1686	1614	1661	1638	1521	1504	1492	1472
Gram	4400 @	7695	6552	6119	6154	6131	5818	5792	5978	6130	5861	5666	5317
Jowar	1700	2186	2210	2184	2152	2182	2211	2225	2262	2070	2038	2051	2188
Maize	1425	1581	1605	1575	1592	1628	1614	1558	1587	1507	1472	1461	1473
Wheat	1735	2112	2047	1952	1946	1923	1923	1920	1895	1897	1901	1912	1924
Arhar Whole	5450*	5240	4891	4927	4766	4452	4270	4182	4510	4354	4283	4266	4357
Masur Whole	4250**	5613	5233	5309	5080	4940	4668	4443	4593	4540	4400	4361	4273
Moong Whole	5575*	5558	5475	5534	5517	5426	5132	4976	5230	5137	5145	5153	5329
Urad Whole	5400*	7690	6921	6795	6620	6576	6252	5999	6228	5889	5599	5442	5396
Groundnut	4450*	4995	4945	5286	5304	5228	4731	4754	4610	4311	4237	4391	4367
Mustard Seed	4000**	4240	4057	3896	3943	3932	3870	3942	3992	3977	3993	4024	4106
Soyabean	3050*	2929	2868	2877	2898	2905	2925	2987	2961	2910	2888	2976	3079
Sunflower Seed	4100**	3248	3124	3013	2967	2964	2905	2845	2877	2871	2854	2949	2881
Cotton (Medium Staple)	4020	5489	5383	5362	5072	4805	4498	4834	4955	4406	4390	4530	4975
Jute Raw	3500	4094	4117	3794	3576	3506	3528	3298	3414	3423	3414	3321	3265
Potato	-	730	692	674	771	843	872	958	918	865	977	905	834
Onion	-	1191	1284	1320	1478	1682	2089	1846	2825	2478	3303	4360	3581
Tomato	-	1032	1137	1254	895	970	2943	5576	3866	1822	3244	3686	1349

* plus bonus Rs.200 per quintal
 ** plus bonus Rs.100 per quintal
 @ plus bonus Rs.150 per quintal
