

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3986**  
TO BE ANSWERED ON THE 20<sup>TH</sup> MARCH, 2018

**MSP FOR RABI CROPS**

3986. SHRI SISIR KUMAR ADHIKARI:

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

- (a) whether the Government proposes to fix Minimum Support Price (MSP) for procurement of rabi crops in country;
- (b) if so, whether the Government has made any survey and prepare any report on the actual paid out costs of rabi crops;
- (c) if so, the details of the MSP rates proposed and paid to the farmers during the last kharif season of 2017-18 and the Government's expenditure thereon; and
- (d) the details of the proposals and budget estimates of the Government on market reforms, contract farming and land issues and other issues in this regard?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a) & (b): Government had fixed the minimum support prices (MSPs) of 6 mandated rabi crops for 2017-18 season to be procured in 2018-19 on 24<sup>th</sup> October, 2017 on the basis of recommendations of the Commission for Agricultural Costs & Prices (CACP). Cost of production is one of the important factors taken into account by CACP in recommending the MSPs. The estimates of cost of cultivation/cost of production are made available to the CACP through the *Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops*, operated by Directorate of Economics and Statistics, Department of Agriculture, Cooperation & Farmers Welfare, Ministry of Agriculture & Farmers Welfare, Government of India. These data are collected with the help of State Agricultural Universities (SAUs)/Institutions located in various states. The CACP uses all-India weighted average cost of production (A2+FL) in recommending MSPs which include all paid out costs like those incurred on account of hired human labour, bullock labour/machine labour and rent paid for leased in land, expenses on use of material inputs like seeds, fertilizers, manures, irrigation charges including cost of diesel/electricity for operation of pump sets and imputed value of wages of family labour and depreciation of farm machinery & building.

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(c): The MSPs of the crops for kharif season of 2017-18 fixed by the Government is as under:

Sl. No.	Kharif crop	Variety	MSP (Rs. per quintal)
1	Paddy	Common	1550
		Grade 'A'	1590
2	Jowar	Hybrid	1700
		Maldandi	1725
3	Bajra		1425
4	Maize		1425
5	Ragi		1900
6	Arhar(Tur)		5450^
7	Moong		5575^
8	Urad		5400^
9	Cotton	Medium Staple	4020
		Long Staple	4320
10	Groundnut in shell		4450^
11	Sunflower seed		4100*
12	Soyabean		3050^
13	Sesamum		5300*
14	Nigerseed		4050*

*^ including bonus of Rs. 200 per quintal.*

*\* including bonus of Rs. 100 per quintal.*

Government offers to procure agricultural crops at the MSPs through various governmental agencies. However, farmers are free to sell their produce to Government agencies or in the open market whichever is advantageous to them.

During kharif season of 2017-18, Government has procured 305.73 lakh tonnes of rice and payment of Rs. 42,293.30 crore has been made to farmers. During this season, quantity of 21.14 lakh tonnes of pulses and oilseeds has been procured at MSP valuing at Rs. 10,328.92 crore till 08.03.2018.

(d): Government is implementing e-National Agriculture Market (e-NAM) for market reform and to provide remunerative prices to farmers. This scheme was approved with a budget allocation of Rs. 200 crore upto 2017-18. Government has enacted Model Contract Farming Act, 2018 in order to protect and promote the interests (land ownership, higher productivity, reduced cost, higher price returns) of the farmers.

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