

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

LOK SABHA
UNSTARRED QUESTION NO.4934
TO BE ANSWERED ON THE 23RD JULY, 2019

MSP for Kharif Crops

4934. SHRI RAMDAS C. TADAS:

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

- (a) whether new MSP for kharif crops has been implemented recently so as to double the income of farmers;
- (b) if so, the details thereof;
- (c) whether the Government has set up any agency to calculate the cost of kharif crops;
- (d) if so, the details thereof, State-wise; and
- (e) if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): The Union Budget for 2018-19 had announced the pre-determined principle to keep minimum support prices (MSP) at a level of atleast one and half times of the cost of production. Accordingly, Government had increased MSPs for all mandated crops with a return of atleast 50 percent over all India weighted average cost of production for the season 2018-19. Government has recently increased the MSPs for all kharif crops for 2019-20 season in line with the principle of providing 50 percent return over all India weighted average cost of production. Higher MSPs will ensure higher income/return to the farmers. Details of MSP, cost and percent return over cost for kharif crops from 2017-18 to 2019-20 is given in Annexure I.

(c) to (e): Commission for Agricultural Costs and Prices (CACP) is an expert body tasked to recommend MSPs after a broad consultative process taking into consideration a host of factors like cost of production, overall demand-supply situation of various crops in domestic and world markets, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sector and likely effect of price policy on rest of the economy .

Cost of production is one of the important factors in the determination of MSPs. While recommending its Price policy, the CACP considers all costs in a comprehensive manner. The

Contd..2/-

estimates of cost of cultivation/cost of production are made available to the Commission through the *Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops*(CS Scheme), operated by Directorate of Economics and Statistics, Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India. Under the Scheme, field data is collected for 25 mandated crops based on the Cost Accounting Method through 16 implementing agencies (Agricultural Universities/ General Universities/Colleges) from sample holdings/farmers spread over 20 states. The sampling design of the scheme is a three stage stratified random sampling design with tehsil as the first stage unit, village/cluster of villages as the second unit and operational holdings as the third and ultimate stage unit. Details of agencies implementing CS Scheme State-wise is given in Annexure II.

Annexure I

**Annexure referred to in reply to part (a) & (b) of Lok Sabha Unstarred Question
No. 4934 due for reply on 23.07.2019.**

Cost*, MSP and Return for kharif crops

(Rs/quintal)

Sl. No.	Commodity	2017-18			2018-19			2019-20		
	KHARIF CROPS	Cost*	MSP	% Return over Cost	Cost*	MSP	% Return over Cost	Cost*	MSP	% Return over Cost
1	PADDY(Common)	1117	1550	38.8	1166	1750	50.1	1208	1815	50.2
	(Grade A)^		1590			1770			1835	
2	JOWAR (Hybrid)	1556	1700	9.3	1619	2430	50.1	1698	2550	50.2
	(Maldandi) ^		1725			2450			2570	
3	BAJRA	949	1425	50.2	990	1950	97.0	1083	2000	84.7
4	MAIZE	1044	1425	36.5	1131	1700	50.3	1171	1760	50.3
5	RAGI	1861	1900	2.1	1931	2897	50.0	2100	3150	50.0
6	ARHAR(Tur)	3318	5450	64.3	3432	5675	65.4	3636	5800	59.5
7	MOONG	4286	5575	30.1	4650	6975	50.0	4699	7050	50.0
8	URAD	3265	5400	65.4	3438	5600	62.9	3477	5700	63.9
9	COTTON (Medium Staple)	3276	4020	22.7	3433	5150	50.0	3501	5255	50.1
	(Long Staple) ^		4320			5450			5550	
10	GROUNDNUT IN SHELL	3159	4450	40.9	3260	4890	50.0	3394	5090	50.0
11	SUNFLOWER SEED	3481	4100	17.8	3592	5388	50.0	3767	5650	50.0
12	SOYABEAN (Yellow)	2121	3050	43.8	2266	3399	50.0	2473	3710	50.0
13	SESAMUM	4067	5300	30.3	4166	6249	50.0	4322	6485	50.0
14	NIGERSEED	3912	4050	3.5	3918	5877	50.0	3960	5940	50.0

**Includes 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 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 & imputed value of family labour.*

^ Cost is not separately compiled for Paddy (Grade A), Jowar (Maldandi), and Cotton (long staple).

Annexure II

**Annexure referred to in reply to part (c) to (e) of Lok Sabha Unstarred Question
No. 4934 due for reply on 23.07.2019.**

List of Agencies Implementing CS Scheme

S.No.	State	Implementing Agency
1	Andhra Pradesh	Prof. Jayashankar Telangana State Agricultural University, Hyderabad – 500 030 (Andhra Pradesh)
2	Assam	Assam Agricultural University, Jorhat
3	Bihar	Rajendra Agriculture University, Pusa, Samastipur
4	Gujarat	Sardar Patel University Vallabh Vidya Nagar
5	Haryana	Haryana Agriculture University, Hissar
6	Himachal Pradesh	Himachal Pradesh University, Shimla
7	Karnataka	University of Agricultural Sciences, Hebbal, Bangalore.
8	Kerala	University of Kerala, Thiruvanantha-puram.
9	Madhya Pradesh	Jawahar Lal Nehru Krishi Viswavidhyalaya, Jabalpur.
10	Maharashtra	Mahatma Phule Agriculture University, Rahuri
11	Odisha	Orissa University of Agriculture & Technology, Bhubaneswar.
12	Punjab	Punjab Agricultural University, Ludhiana.
13	Rajasthan	Maharana Pratap University of Agriculture and Technology, Udaipur
14	Tamil Nadu	Tamil Nadu Agriculture, University Coimbatore
15	Uttar Pradesh	R. B. S. College. Bichpuri, Agra.
16	West Bengal	Bidhan Chandra Krishi, Viswavidyalaya, Kalyani, Nadia.
17	Chhattisgarh	Jawahar Lal Nehru Krishi Viswavidhyalaya, Jabalpur.
18	Jharkhand	Rajendra Agriculture University, Pusa, Samastipur
19.	Telangana	Prof. Jayashankar Telangana State Agricultural University, Hyderabad – 500 030 (Andhra Pradesh)
20	Uttarakhand	R. B. S. College. Bichpuri, Agra
