

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.5009**  
TO BE ANSWERED ON 23<sup>RD</sup> JULY, 2019

**SUPPORT PRICE FOR AGRICULTURAL PRODUCE**

5009. SHRI D.K. SURESH:

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

- (a) whether the Government is aware that the Support Price fixed by the Government is lower than the open market sales price, if so, the details thereof;
- (b) whether it is also true that farmers are getting higher price than the support price fixed by the Government; and
- (c) if so, whether the Government is taking any corrective measures to increase the support price for various crops, if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री ( SHRI NARENDRA SINGH TOMAR)

(a) & (b): The prices of agricultural produce are determined by supply and demand conditions in the market on a day-to-day basis. Wholesale prices of agricultural produce tend to fall immediately after harvest due to increase in market arrival of new crops. The minimum support price (MSP) and wholesale prices of major agricultural commodities are given below:

(Rs per quintal)

Crops/	MSP (2018-19)	Wholesale Prices	
		May-19	June-19
Paddy	1750	1793	1787
Bajra	1950	2207	2149
Barley	1440	1795	1816
Gram	4620	4796	4676
Jowar	2430	2625	2678
Maize	1700	1973	1977
Ragi	2897	2690	2731

Contd....2/-

Wheat	1840	2120	2116
Arhar Whole	5675	5557	5521
Masur Whole	4475	4902	4932
Moong Whole	6975	6211	6353
Urad Whole	5600	5441	5397
Groundnut	4890	5132	5386
Copra	7511	10583	10258
Safflower/ Kardiseed	4945	4047	4332
Mustard Seed	4200	4073	4071
Nigerseed	5877	4700	4648
Sesamum Seed	6249	9782	9922
Soyabean	3399	3742	3701
Sunflower Seed	5388	3567	3508
Cotton/Kapas	5150	5839	5836
Jute	2030	4336	4289

Source: Directorate of Economics & Statistics

(c): The Union Budget for 2018-19 had announced the pre-determined principle to keep MSPs at a level of at least one and half times of the cost of production. Accordingly, Government had increased MSPs for all mandated crops with a return of at least 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 at least 50 percent return over all India weighted average cost of production. Details of MSP, cost and percent return over cost since 2017-18 to 2019-20 is given in Annexure.

As and when wholesale prices of MSP crops fall below the MSP, State Governments can put in place procurement operations or Price Deficiency Payment Scheme (PDPS) for pulses, oilseeds and cotton which are not covered under Public Distribution System/welfare schemes.

**Annexure referred to in reply to part (c) of Lok Sabha Unstarred Question  
No. 5009 due for reply on 23.07.2019.**

**Cost\*, MSP and Return**

Sl. No.	Commodity KHARIF CROPS	2017-18			2018-19			2019-20		
		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
	<b><u>RABI CROPS</u></b>									
1	WHEAT	817	1735	112.4	866	1840	112.5			
2	BARLEY	845	1410	66.9	860	1440	67.4			
3	GRAM	2461	4400	78.8	2637	4620	75.2			
4	MASUR (LENTIL)	2366	4250	79.6	2532	4475	76.7			
5	RAPESEED/MUSTARD	2123	4000	88.4	2212	4200	89.9			
6	SAFFLOWER	3125	4100	31.2	3294	4945	50.1			
	<b><u>OTHER CROPS</u></b>									
1	COPRA (Milling)	4758	6500	36.6	5007	7511	50.0	6347	9521	50.0
	(Ball)^		6785	42.6		7750			9920	
2	JUTE	2160	3500	62.0	2267	3700	63.2	2535	3950	55.8

\*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), Cotton (long staple) and Copra(ball).