

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

LOK SABHA
UNSTARRED QUESTION. 3303
TO BE ANSWERED ON 21ST MARCH, 2023

PRODUCTION COST OF OIL SEEDS

3303. SHRI RAMDAS C. TADAS:

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

- (a) whether the production cost of oil seeds is more than the other crops;
- (b) if so, the details thereof and the reaction of the Government thereto; and
- (c) the steps taken by the Government to ensure better remunerative price for the said crop?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c) The cost of production estimates generated include all paid-out cost, i.e., cost incurred in cash and kind, like value of hired human labour, hired and owned bullock and machine labour, value of seeds, insecticides, pesticides, manure, fertilizer, irrigation charges, land revenue, cesses & other taxes, interest on working capital, miscellaneous expenses, rent paid for leased land; and imputed value of family labour. Based on the crop-wise and state-wise cost estimates generated under the CS Scheme, CACP projects crop-wise all India weighted average cost of production for the ensuing season to arrive at the recommendations of Minimum Support Price (MSP) of major agriculture commodities.

The estimated all India weighted average cost of production (paid out costs and imputed value of family labour) and MSP of mandated crops including Oilseeds crops during the last five years is attached in **Annexure I**.

Government fixes Minimum Support Prices (MSPs) for twenty-two (22) mandated crops including five kharif oilseeds viz. Groundnut, Soyabean, Sunflower, Sesamum and Nigerseed and 2 Rabi Oilseeds viz. Rapeseed & Mustard and Safflower based on the recommendations of the Commission for Agricultural Costs & Prices (CACP) after considering the views of concerned State Governments and Central Ministries/Departments.

While recommending MSPs, CACP considers important factors like cost of production, overall demand-supply situation of various crops in domestic and global markets, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sector, likely effect of price policy on rest of the economy etc.

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSPs for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19. Government also extends price support for foodgrains through FCI and other agencies subject to FAQ (Fair Average Quality) specifications. Government also intervenes in the market through PM-AASHA for Oilseeds and Pulses, where market price falls below MSP, subject to extant guidelines.

The Government has been implementing a Centrally Sponsored Scheme, National Food Security Mission- Oilseeds & Oil palm (NFSM-OS&OP) from 2018-19 to augment the availability of vegetable oils and to reduce the import of edible oils by increasing the production and productivity of oilseeds and area expansion of Oil Palm & Tree Borne Oilseeds in the country. The NFSM-Oilseeds is being implemented through the Department of Agriculture/Horticulture in 28 States/UTs in the country. Assistance is being provided to the farmers for cultivation of Oilseeds on purchase of breeder seed, production of foundation seed production and distribution of certified seeds, & distribution of seed minikits. Financial Assistance on Transfer of Technologies FLD, CFLD (block demonstrations, and officers & farmers trainings) and Production Inputs (supply of plant protection equipments, soil ameliorates, micro-nutrients, weedicides, insecticides, bio-fertilizer/bio-agents, etc.), and water carrying devices (distribution of sprinkle sets and water carrying pipes) are also being provided to the farmers.

Now, the Government has launched a separate Mission for Oil Palm, which is the National Mission on Edible Oils (Oil Palm) (NMEO-OP) in 2021-22 with the objective to enhance edible oil production through area expansion and increasing CPO production of oilpalm and to reduce import burden on edible oils.

Annexure referred in reply to part (a to b) of Lok Sabha unstarred Question no. 3303 due for reply on 21/03/2023

(₹/qtl.)

Projected Cost of Production(CoP) A ₂ +FL & MSP										
Crop	2018-19		2019-20		2020-21		2021-22		2022-23	
	A ₂ +FL	MSP	A ₂ +FL	MSP	A ₂ +FL	MSP	A ₂ +FL	MSP	A ₂ +FL	MSP
Kharif Crops										
Paddy	1166	1750	1208	1815	1245	1868	1293	1940	1360	2040
Jowar	1619	2430	1698	2550	1746	2620	1825	2738	1977	2970
Bajra	990	1950	1083	2000	1175	2150	1213	2250	1268	2350
Maize	1130	1700	1171	1760	1213	1850	1246	1870	1308	1962
Ragi	1931	2897	2100	3150	2194	3295	2251	3377	2385	3578
Tur (Arhar)	3431	5675	3636	5800	3796	6000	3886	6300	4131	6600
Moong	4650	6975	4699	7050	4797	7196	4850	7275	5167	7755
Urad	3437	5600	3477	5700	3660	6000	3816	6300	4155	6600
Groundnut	3259	4890	3394	5090	3515	5275	3699	5550	3873	5850
Soybean	2266	3399	2473	3710	2587	3880	2633	3950	2805	4300
Sunflower	3592	5388	3767	5650	3921	5885	4010	6015	4113	6400
Sesamum	4166	6249	4322	6485	4570	6855	4871	7307	5220	7830
Nigerseed	3917	5877	3960	5940	4462	6695	4620	6930	4858	7287
Cotton	3432	5150	3501	5255	3676	5515	3817	5726	4053	6080
Rabi Crops										
Wheat	865	1840	923	1925	960	1975	1008	2015	1065	2125
Barley	859	1440	919	1525	971	1600	1019	1635	1082	1735
Gram	2637	4620	2801	4875	2866	5100	3004	5230	3206	5335
Lentil(Masur)	2531	4475	2727	4800	2864	5100	3079	5500	3239	6000
R&M	2211	4200	2323	4425	2415	4650	2523	5050	2670	5450
Safflower	3294	4945	3470	5215	3551	5327	3627	5441	3765	5650
Other Crops										
Sugarcane	155	275	156	275	159	285	155	290	162	305
Copra	6347	9521	6639	9960	6805	10335	6974	10590	7153	10860
Jute	2267	3700	2535	3950	2709	4225	2832	4500	2959	4750

Source: Commission for Agricultural Costs and Prices (CACP)

A₂+FL refers to all paid out cost + Imputed Value of Family Labour

MSP refers to Minimum Support Price
