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

LOK SABHA UNSTARRED QUESTION NO. 297 TO BE ANSWERED ON THE 20th JULY, 2021

INCREASE IN MSP FOR KHARIF CROPS

297. RAVNEET SINGH BITTU:

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

- (a) the percentage increase in the Minimum Support Price (MSP) of Kharif crops during the last three years, year-wise and crop-wise;
- (b) whether it is a fact that the changes in MSP of Kharif crops have been made in a very unequal manner with some crops like ragi showing significant rise in prices while in the case of other crops like Tur and Urad Dal, prices changed only by a small percentage in the last few years;
- (c) whether the Government has some uniform policy in determining the MSP of kharif crops and if so, the details thereof; and
- (d) the reasons for the wide variance in the percentage increase of the MSP of different types of kharif crops announced by the Government?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

- (a): the percentage increase in Minimum Support Prices (MSP) for Kharif crops since 2019-20 is given at **Annex**.
- (b) to (d): Government fixes MSPs on the basis of the recommendations of the Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned.

While recommending MSP, CACP considers various factors viz. cost of production, overall demand-supply situations of various crops in domestic and world markets, domestic and international prices, inter-crop price parity, terms of trade between agriculture and non-

agriculture sector, likely effect of price policy on rest of economy and a minimum of 50 percent as the margin over cost of production.

Each mandated MSP crop has different cost of production on account of difference in input used, yield, rainfall, resource endowment etc. However, while recommending MSP, CACP ensures that's all mandated crops at least get a minimum of 50 per cent return over its cost of production.

<u>Annex</u>

Annex referred to in reply to part (a) of Lok Sabha Unstarred Question No. 297 due for reply on 20.07.2021

Percentage Increase in MSP

	Commodity	Variety	MSP (Rs. per qtl)			Percentage increase in MSP (%)		
Sl. No.			2019-20	2020-21	2021- 22	2019-20 over 2018- 19	2020-21 over 2019- 20	2021-22 over 2020-21
	KHARIF CROPS							
1	PADDY	Common	1815	1868	1940	3.7	2.9	3.9
		Grade 'A'	1835	1888	1960	3.7	2.9	3.8
2	JOWAR	Hybrid	2550	2620	2738	4.9	2.7	4.5
		Maldandi	2570	2640	2758	4.9	2.7	4.5
3	BAJRA		2000	2150	2250	2.6	7.5	4.7
4	RAGI		3150	3295	3377	8.7	4.6	2.5
5	MAIZE		1760	1850	1870	3.5	5.1	1.1
6	TUR (ARHAR)		5800	6000	6300	2.2	3.4	5.0
7	MOONG		7050	7196	7275	1.1	2.1	1.1
8	URAD		5700	6000	6300	1.8	5.3	5.0
9	GROUNDNUT		5090	5275	5550	4.1	3.6	5.2
10	SUNFLOWER SEED		5650	5885	6015	4.9	4.2	2.2
11	SOYABEEN (yellow)		3710	3880	3950	9.1	4.6	1.8
12	SESAMUM		6485	6855	7307	3.8	5.7	6.6
13	NIGERSEED		5940	6695	6930	1.1	12.7	3.5
14	COTTON	Medium Staple	5255	5515	5726	2.0	4.9	3.8
		Long Staple	5550	5825	6025	1.8	5.0	3.4
