

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 402**  
TO BE ANSWERED ON THE 20<sup>th</sup> JULY, 2021

**HIKE IN MSP**

402. SHRI MARGANI BHARAT:  
SHRI GNANATHIRAVIAM S.:  
SHRI VIJAYAKUMAR (ALIAS) VIJAY VASANTH:  
SHRI SU. THIRUNAVUKKARASAR:

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

- (a) whether the Union Government has recently announced hike in Minimum Support Price (MSP) of paddy, pulses, oilseeds, cereals and other Kharif crops;
- (b) if so, details of MSP recommended by Commission for Agricultural Costs and Prices and details of MSP approved by the Ministry for Kharif season, crops-wise;
- (c) the details of increase in MSP of various agricultural produce during the last three years, year/crop-wise;
- (d) the criteria/formula adopted in hiking the MSP of these products;
- (e) the reaction of farmers/farmers' federations thereto; and
- (f) the extent to which the hike in MSP will help farmers to double their income by next years target?

**ANSWER**

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): Government has recently announced Minimum Support Prices (MSP) for 14 mandated kharif crops including paddy, pulses, oilseeds and cereals on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned and other relevant factors.

The Government in its Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at a level 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 onwards (**Annex**).

(d) to (f): 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 costs include all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for in land, expenses incurred in cash and kind on the 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 and imputed value of family labour.

In addition to cost of production CACP also considers various other factors while recommending MSP which include 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.

CACP also consult various stakeholders including Farmer's association while recommending MSP.

Government has taken a "multi pronged approach" to double the farmer's income which include reducing input costs; ensuring fair price for the produce; reducing wastage; and creating alternate sources of income among others. The Government has been implementing/reorienting various schemes to address the above mentioned key areas which include Soil Health Card (SHC), Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) , e NAM, Pradhan Mantri Fasal Bima Yojana (PMFBY), Pradhan Mantri Annadata Aay Sanrakshan Abhiyan'(PM-AASHA) among others.

**Annex**

Annex referred to in reply to part (a) to (c) of Lok Sabha Unstarred Question No. 402 due for reply on 20.07.2021

**Minimum Support Price (According to crop year)***(Rs. per quintal)*

Sl. No.	Commodity	Variety	2019-20		2020-21		2021-22	
			Recommended by CACP	Fixed by Government	Recommended by CACP	Fixed by Government	Recommended by CACP	Fixed by Government
	<b><u>KHARIF CROPS</u></b>							
1	PADDY	Common	1815	1815	1868	1868	1940	1940
		Grade 'A'	1835	1835	1888	1888	1960	1960
2	JOWAR	Hybrid	2550	2550	2620	2620	2738	2738
		Maldandi	2570	2570	2640	2640	2758	2758
3	BAJRA		2000	2000	2150	2150	2250	2250
4	RAGI		3150	3150	3295	3295	3377	3377
5	MAIZE		1760	1760	1850	1850	1870	1870
6	TUR (ARHAR)		5800	5800	6000	6000	6300	6300
7	MOONG		7050	7050	7196	7196	7275	7275
8	URAD		5700	5700	6000	6000	6300	6300
9	COTTON	Medium Staple	5255	5255	5515	5515	5726	5726
		Long Staple	5550	5550	5825	5825	6025	6025
10	GROUNDNUT		5090	5090	5275	5275	5550	5550
11	SUNFLOWER SEED		5650	5650	5885	5885	6015	6015
12	SOYABEAN	Yellow	3710	3710	3880	3880	3950	3950
13	SESAMUM		6485	6485	6855	6855	7307	7307
14	NIGERSEED		5940	5940	6695	6695	6930	6930
	<b><u>RABI CROPS</u></b>							
15	WHEAT		1925	1925	1975	1975		
16	BARLEY		1525	1525	1600	1600		
17	GRAM		4875	4875	5100	5100		
18	MASUR (LENTIL)		4800	4800	5100	5100		
19	RAPESEED & MUSTARD		4425	4425	4650	4650		
20	SAFFLOWER		5215	5215	5327	5327		
	<b><u>OTHER CROPS</u></b>							
22	COPRA	Milling	9520	9521	9960	9960	10335	10335
		(Calendar Year)	Ball	9920	9920	10300	10300	10600
23	DE-HUSKED COCONUT (Calendar Year)		2571	2571	2700	2700	2800	2800
24	JUTE		3950	3950	4225	4225	4500	4500

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