

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

LOK SABHA
UNSTARRED QUESTION NO. 418
TO BE ANSWERED ON THE 19TH JULY, 2022

INCREASE IN MSP

418. SHRI THIRUNAVUKKARASAR SU:
SHRI KOMATI REDDY VENKAT REDDY:
SHRIMATI MALA RAJYA LAXMI SHAH:
SHRI MANNE SRINIVAS REDDY:
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:
SHRI VIJAYAKUMAR (ALIAS) VIJAY VASANTH:
SHRI JANARDAN SINGH SIGRIWAL:
SHRI RAMESH BIDHURI:

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

(a) whether the Government has taken any initiative to provide remunerative prices to farmers by considering the policy of dynamic pricing of Kharif crops, etc proportional to the market prices, if so, the details thereof;

(b) whether the Government raised the Minimum Support Price (MSP) of kharif crops for 2022-23 by around 5-9 per cent and the biggest hikes were reserved for pulses and oilseeds and also for jowar to encourage its cultivation;

(c) if so, the details thereof comparatively since 2014 till date, State-wise, crop-wise and MSP-wise including Uttarakhand and Bundelkhand and the actual demands of the farmers met/ignored by the Government along with the reasons therefor;

(d) whether any study has been conducted to assess the impact of MSP and its likely benefit to farmers;

(e) if so, the details thereof and if not, the reasons therefor; and

(f) the other measures being taken to increase farmers income in proportion to cost of cultivation?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Government announces Minimum Support Price (MSP) to ensure remunerative prices to the growers for their produce and encourage higher investment and production. The Government in its 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 MSP 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. In line with the same principle, Government has recently announced the increase in MSP for all mandated kharif crops of year 2022-23 on **8th June, 2022**.

Government has made concerted efforts for increasing production of oilseeds, pulses and nutri-cereals so as to encourage farmers to increase productivity by adopting best technologies and farm practices and to correct demand – supply imbalance.

Cost of production is one of the important factors in the determination of MSP. While recommending its price policy, the CACP considers all costs in a comprehensive manner. CACP projects the cost of production for the current year on the basis of Composite Input Price Index (CIPI) which measures the change in input price over previous year. The CIPIs are based on latest prices of major inputs like human labour, bullock labour, machine labour, fertilisers and manures, seeds, pesticides and irrigation as per data available from different ministries/ departments.

(c): MSP is determined for the country as a whole and not region or state-specific. However, region-specific parameters are also kept in view by CACP while recommending MSP. CACP holds consultations with stakeholders and seeks suggestions for both price and non-price recommendations before finalizing its recommendations on MSP. The details of MSP form 2014-15 are given at Annex 1.

(d) & (e): The NITI Aayog (erstwhile Planning Commission) has conducted a study entitled “Efficacy of minimum support prices on farmers”, 2016. The study covered 14 States, 36 Districts, 72 Blocks, 144 Villages and 1440 Households. The study is based on both the primary and secondary data. The study has found, among other things, that MSP declared by the Government has encouraged 78 % of the farmers covered under the study for adopting improved methods of farming such as high yielding varieties of seeds, organic manure, chemical fertilizer, pesticides and improved methods of harvesting etc.

(f): MSP is one of the measures for remunerative prices to farmers. Moreover, Government has taken a “multi pronged approach” to increase the income of farmers and has been implementing/reorienting various schemes for the same which include Soil Health Card (SHC), Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), e-NAM, Pradhan Mantri Fasal Bima Yojana (PMFBY), Pradhan Mantri Annadata Aay Sanrakshan Abhiyan’ (PM-AASHA), Agriculture Infrastructure Fund, promotion of 10,000 FPOs, a special dedicated scheme on Agriculture Mechanization (SMAM) etc. among others.

Annex referred to in reply to part (c) of Lok Sabha Unstarred Question No. 418 due for reply on 19.07.2022

Minimum Support Price (MSP)

(₹ per quintal)

Commodity	Variety	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<u>KHARIF CROPS</u>										
PADDY	Common	1360	1410	1470	1550	1750	1815	1868	1940	2040
	Grade 'A'	1400	1450	1510	1590	1770	1835	1888	1960	2060
JOWAR	Hybrid	1530	1570	1625	1700	2430	2550	2620	2738	2970
	Maldandi	1550	1590	1650	1725	2450	2570	2640	2758	2990
BAJRA		1250	1275	1330	1425	1950	2000	2150	2250	2350
RAGI		1550	1650	1725	1900	2897	3150	3295	3377	3578
MAIZE		1310	1325	1365	1425	1700	1760	1850	1870	1962
ARHAR(Tur)		4350	4625	5050	5450	5675	5800	6000	6300	6600
MOONG		4600	4850	5225	5575	6975	7050	7196	7275	7755
URAD		4350	4625	5000	5400	5600	5700	6000	6300	6600
COTTON	Medium Staple	3750	3800	3860	4020	5150	5255	5515	5726	6080
	Long Staple	4050	4100	4160	4320	5450	5550	5825	6025	6380
GROUNDNUT		4000	4030	4220	4450	4890	5090	5275	5550	5850
SUNFLOWER SEED		3750	3800	3950	4100	5388	5650	5885	6015	6400
SOYABEAN	Yellow	2560	2600	2775	3050	3399	3710	3880	3950	4300
SESAMUM		4600	4700	5000	5300	6249	6485	6855	7307	7830
NIGERSEED		3600	3650	3825	4050	5877	5940	6695	6930	7287
<u>RABI CROPS</u>										
WHEAT		1450	1525	1625	1735	1840	1925	1975	2015	
BARLEY		1150	1225	1325	1410	1440	1525	1600	1635	
GRAM		3175	3500	4000	4400	4620	4875	5100	5230	
MASUR (LENTIL)		3075	3400	3950	4250	4475	4800	5100	5500	
RAPSEED/MUSTARD		3100	3350	3700	4000	4200	4425	4650	5050	
SAFFLOWER		3050	3300	3700	4100	4945	5215	5327	5441	
TORIA		3020	3290	3560	3900	4190	4425	4650	5050	
<u>OTHER CROPS</u>										
COPRA (Calendar Year)	Milling	5250	5550	5950	6500	7511	9521	9960	10335	10590
	Ball	5500	5830	6240	6785	7750	9920	10300	10600	11000
DE-HUSKED COCONUT (Calendar Year)		1425	1500	1600	1760	2030	2571	2700	2800	2860
JUTE		2400	2700	3200	3500	3700	3950	4225	4500	4750

Note: MSP for Rabi crops for 2022 is yet to be fixed.
