

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3734  
ANSWERED ON:19.12.2005  
MINIMUM SUPPORT PRICE OF FOODGRAINS  
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**Will the Minister of AGRICULTURE be pleased to state:**

(a) the details of Minimum Support Price (MSP) awarded to foodgrains in different States during the last three years, State-wise and year-wise; and

(b) the criterion being followed to determine the MSP of foodgrains in the State?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): The Government announces each season Minimum Support Prices (MSPs) of kharif and rabi foodgrains. The MSPs are uniform for the whole country. The MSPs of foodgrains announced since 2003-04 are as follows:

(Rs. Per Quintal)

Crop    2003-04    2004-05    2005-06

Paddy (Common)			
(Grade A)	550	560	570
Jowar	580	590	600
Bajra	505	515	525
Ragi	505	515	525
Maize	505	525	540
Wheat	630	640	650
Barley	525	540	550

(b): The Central Government decides on the Minimum Support Prices (MSPs) for various agricultural commodities taking into account the recommendations of Commission for Agricultural Costs and Prices (CACP), the views of State Governments and concerned Central Ministries as well as such other relevant factors, which in the opinion of the Government, are important for fixation of MSPs. While recommending MSPs, the CACP keeps in view

(i) the need to provide incentive to the producer for adopting improved technology and for developing a production pattern broadly in the light of national requirements;

(ii) demand and supply situation;

(iii) the need to ensure rational utilization of land, water and other production resources;

(iv) cost of production;

(v) the likely effect of the price policy on the rest of the economy, particularly on the cost of living, level of wages, industrial cost structure, etc. and

(vi) terms of trade between agricultural sector and non-agricultural sector.