

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:51
ANSWERED ON:23.02.2010
PRICES OF AGRICULTURAL INPUTS
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the prices of agricultural inputs have increased during the last three years and the current year;
- (b) if so, the details thereof, item-wise; and
- (c) the measures taken by the Government to mitigate the effect of rising input costs of major crop produce?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): The prices of agricultural inputs have increased over the years. The Index Numbers of Wholesale Prices (Base 1993-94=100) for agricultural inputs for the last four years are as under:

Year	Ferti- Annual Average	Electr- izers (Agri	Pesti- cides rical	Non- Elect- rical	Tract- ors cants	Lubri- cants (HSDO)	Diesel Oil (LDO)	Diesel Oil Feed	Fodder	Cattle
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(July-
June)

2005-06	175.1	300.8	150.2	189.6	179.4	203.2	446.8	464.0	198.8	176.1
2006-07	178.3	315.6	119.7	196.3	182.2	260.7	466.2	492.4	210.3	179.2
2007-08	184.6	314.8	119.2	202.2	185.5	279.6	459.4	522.3	201.3	196.0
2008-09	196.8	310.8	129.5	210.2	193.4	332.2	481.3	646.0	206.6	214.4

Source: Office of the Economic Adviser, Ministry of Commerce and Industry.

(c): The effect of rising input cost of cultivation of major crops is balanced by way of assuring Minimum Support Prices (MSP) that help the farmers receive adequate return on their investment. Several Central Government agencies and state level bodies through their procurement operations in the market help the farmers to sell their produce at MSP especially when market prices rule below MSP for any commodity.

The Government of India has taken several steps to improve agricultural growth and return on investment in agriculture. These include declaration of Minimum Support Prices, measures to improve production and productivity of various agricultural commodities through ensuring easy availability of credit, irrigation facilities, crop diversification, marketing infrastructure and extension services.

A National Policy of farmers, 2007 has been approved by the Government of India with its main aim to focus on the economic well-being of farmers by improving the economic viability of farming in addition to increasing production and productivity. Several programmes such as National Horticulture Mission, Macro Management, National Food Security Mission and Rashtriya Krishi Vikas Yojna are under implementation to incentivise farmers to engage themselves profitably in the farming activities.