

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:24
ANSWERED ON:09.11.2010
MSP AGAINST INPUT COST
Laguri Shri Yashbant Narayan Singh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers of Orissa are not getting remunerative prices in proportion to the input costs of their crops;
- (b) the details of the steps being taken by the Government;
- (c) whether the Government is contemplating to give any package for improving the condition of farmers in Orissa;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

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 Government fixes the Minimum Support Prices (MSPs) for major agricultural produce on the recommendations of the Commission for Agricultural Costs and Prices (CACP). The CACP, while formulating its recommendations on price policy considers, inter-alia, input and other costs of production etc. based on the data collected from different States including Orissa. The MSP, recommended by the CACP, is based on the all-India weighted average cost of production.

The MSPs are fixed with the objective to ensure remunerative prices to the growers. Government offers to produce the commodities if the prices fall below their respective MSPs. The farmers are, however, free to sell their produce in the open market, if the market offers higher price than the MSP.

(c) to (e): An allocation of Rs.400 crore has been provided during 2010-11 to extend the green revolution in the eastern region of the country including Orissa. This, inter-alia, includes "Pulses and oilseeds villages" in rainfed areas, integrated intervention for water harvesting, watershed management and soil health to enhance the productivity of dry land farming etc.