

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:216

ANSWERED ON:22.02.2011

PRICE OF AGRICULTURAL PRODUCE

Balram Shri P.;Saroj Smt. Sushila;Singh Shri Ganesh;Verma Smt. Usha

Will the Minister of AGRICULTURE be pleased to state:

- (a) the rate of increase in the production cost of various agricultural produce during the last three years;
- (b) whether there is a huge difference between the increase in the cost of inputs used in farming and increase in the price of agricultural produce over the years;
- (c) if so, the details thereof;
- (d) the present policy of the Government in regard to Minimum Support Price (MSP);
- (e) whether the Government proposes to make changes in the criteria and ensure farmers' representation while fixing MSP; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI ARUN YADAV)

(a) to (c): Crop-wise details of per cent increase in Costs and Minimum Support Price during the years 2005-06 to 2008-09 are at Annexure I, II & III.

(d) to (f): The Minimum Support Prices (MSP) are announced by the Government of India with a view to ensuring remunerative prices to the farmers for their produce on the basis of the recommendations of Commission for Agricultural Costs and Prices (CACP). The Commission in undertaking the task of recommending Minimum Support Price for several crops is guided by the terms of reference given to it by the Government of India.

From time to time the terms of reference of the Commission have been modified and further expanded to keep pace with the change in agricultural scenario in the country.

The Commission in its composition comprises representation from farming community. The non-official members representing the farming community contributes to the process of determining MSP, for several crops in interaction with the farmers in the meetings the commission holds with different stakeholders including the farmers.