

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:341

ANSWERED ON:18.12.2012

MSP OF WHEAT

Ram Shri Purnmasi;Shekhar Shri Neeraj

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Commission for Agricultural Costs and Prices (CACP) has recommended to freeze the Minimum Support Price (MSP) for wheat at last year's level;

(b) if so, the details thereof and the reasons therefor; and

(c) whether the Government has requested the Commission to review its recommendation and if so, the outcome thereof?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 341 DUE FOR REPLY ON 18TH DECEMBER, 2012.

(a) & (b): The Commission for Agricultural Costs and Prices (CACP) in its report on Price Policy for Rabi Crops for 2012-13 season has recommended freezing the MSP of wheat at last year's level of Rs. 1285 per quintal due to several reasons including excess supply of wheat in the country way above the buffer stock norms, scarcity of scientific covered storage space and since the recommended MSP covers the cost of wheat production.

(c): Yes, Madam. The Commission has, in its revised recommendation, suggested a bonus of Rs. 40 per quintal subject to the liquidation of 15 million tonnes of wheat stocks by April, 2013. The MSP for wheat for 2012-13 has not yet been finalised.