

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1180
ANSWERED ON:13.08.2013
PRODUCTION COST OF AGRICULTURE
Scindia Smt. Yashodhara Raje;Singh Shri Mahabali

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the cost of agriculture production has increased due to hike in prices of fertilizers and manure during the last three years and the farmers are suffering losses;
- (b) if so, the details thereof;
- (c) whether the Government is aware of the fact that the traders charge more than the fixed price of manure from the farmers;
- (d) if so, the details thereof;
- (e) whether cases of blackmarketing of manure by the traders engaged in the sale of manure have come to the notice of the Government;
- (f) if so, the action being taken by the Government in this regard; and
- (g) the other steps taken by the Government to provide fertilizers and manure at cheaper rates to the farmers and provide remunerative prices for their produce?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) & (b): The cost of production of agricultural commodities depends upon their yields as well as prices of various inputs like labour, seeds, fertilizers, pesticides, irrigations charges, mechanization etc. The annual average of the Index Numbers of Wholesale Prices (Base 2004-05=100) for fertilizers and organic manure has increased from 119.19, 129.96 in 2010-11 to 151.28, 153.47 respectively in 2012-13.

Profitability from agriculture production depends on a number of factors which includes, interalia efficiency in use of inputs, yield levels, prices of product etc.

(c) to (f): No complaint has been received on selling of manure on charges more then fixed price/black marketing till date.

(g): The effect of rising input cost of cultivation including fertilizers and manure is balanced by way of Minimum Support Price (MSP) that help the farmers to receive adequate returns on their investment. Central Government agencies and State level bodies through their procurement operations in the market help the farmers sell their produce at MSP especially when market prices rule below MSP for that commodity. Government also promotes various technologies and agronomic practices like Integrated Pest Management, Integrated Nutrient Management, Mechanisation, water conservation etc. to improve agricultural production and productivity and thereby bring down the cost of cultivation. Moreover, Government also improves the economic viability of farming through assistance to farmers under several programmes such as National Horticulture Mission, Nation Food Security Mission and Rashtriya Krishi Vikas Yojana.