

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:363
ANSWERED ON:25.11.2014
MSP FOR AGRICULTURAL PRODUCE
Hemamalini Smt. ;Kumar Shri Kunwar Sarvesh

Will the Minister of AGRICULTURE be pleased to state:

- (a) the minimum support price of kharif crops for the year 2011-12, 2012-13 and 2013-14;
- (b) the percentage increase made in the said minimum support prices during each of the year mentioned above;
- (c) whether the farmers are not getting the remunerative prices for their produce due to hike in the prices of various fertilizers and other agricultural inputs like manure, pesticides, seeds, diesel along with the percentage increase registered in their prices during the said years; and
- (d) if so, the corrective steps taken by the Government to provide adequate remunerative prices to the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (DR. SANJEEV KUMAR BALYAN)

(a) & (b): Minimum Support Prices (MSPs) of kharif crops for the period 2010-11 to 2013-14 and percentage increase in 2011-12, 2012-13 and 2013-14 are at Annexure.

(c) & (d): Government fixes Minimum Support Prices (MSPs) of various crops based on the recommendations of the Commission for Agricultural Costs & Prices (CACP), views of concerned State Governments and Central Ministries/Departments and other relevant factors. While formulating its recommendations on price policy, the CACP considers, inter alia, a number of important factors including cost of production and changes in input prices including fertilizers, manure, pesticides, seeds, diesel etc. The cost of production, inter alia, includes all paid out costs and family labour.

The increase in the prices of various inputs is considered by CACP while recommending MSPs. The increase in the prices of major agricultural inputs during the last three years in terms of Wholesale Price Index (WPI) is given below :

Percentage increase in the Wholesale Price Index (WPI) of major agricultural

inputs

(in percentage)

Input	2011-12	2012-13	2013-14
Fertilisers	13.51	12.39	1.81
Pesticides	1.08	5.49	2.51
Diesel Oil	8.45	11.56	15.22

(HSDO)

MSP is in the nature of minimum price offered by the Government. Producers of crops covered under MSP have the option to sell their produce to Government agencies or in the open market as is advantageous to them.

Statement referred to in reply to parts (a) and (b) of Unstarred Question No.363 for answer on 25.11.2014 regarding "MSP for Agricultural Produce"