## GOVERNMENT OF INDIA AGRICULTURE LOK SABHA

UNSTARRED QUESTION NO:1413
ANSWERED ON:14.07.2009
MINIMUM SUPPORT PRICE OF FOODGRAINS
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## Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Commission on Agricultural Cost and Prices (CACP) has made any recommendation to increase the Minimum Support Prices (MSP) of foodgrains so as to make it commensurate with the increase in the per capita income;
- (b) if so, the main recommendations made by CACP during the last one year and the current year, crop-wise;
- (c) whether the Government has considered the recommendations of the CACP in consultation with State-Governments to increase the MSP and this give farmers their due share; and
- (d) if so, the steps taken/proposed to be taken by the Government in this regard?

## **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): The Commission for Agricultural Costs & Prices (CACP), while formulating its recommendations on price policy considers a number of important factors which include cost of production, changes in input prices, input/output price parity, trends in market prices, demand and supply situation, inter- crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers.
- (b): A statement indicating the MSPs recommended by CACP for the Kharif and Rabi Crops of 2007-08 and 2008-09 Season is at annexure.
- (c)&(d): The Commission for Agricultural Costs & Prices (CACP) has submitted its Report on Price Policy for Kharif Crops of 2009-10 season to the Government. Final decision regarding the Minimum Support Prices (MSPs) for the Kharif crops will be taken by the Government after obtaining the views of State Government/UTs and Central Ministries as well as such other relevant factors which are considered important for fixation of support prices.