

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO.2278
TO BE ANSWERED ON THE 31ST JULY, 2018

INPUT COST OF MSP

2278. SHRI SUNIL JAKHAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE †ãøŠääÓã एवं किसान कल्याण ½ãâ"ããè
be pleased to state:

- (a) whether the Government includes the increased prices of diesel in calculations being made prior to the announcement of MSP for crops;
- (b) if so, the details of the formula for its calculations thereof; and
- (c) whether the cost of diesel was included while calculating the MSP for various crops for 2016-17, 2017-18 and 2018-19, if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

†ãøŠääÓã एवं किसान कल्याण ½ãâ"ããÈã¼ã ½ãñâ Äã•¼ã ½ãâ"ããè (SHRI GAJENDRA SINGH SHEKHAWAT)

(a) to (c): While recommending MSPs, CACP considers all paid-out costs as well as those incurred in kind. The costs considered are comprehensive and include those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses incurred on use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, etc. miscellaneous expenses and imputed value of family labour. The methodology adopted by CACP is on the basis of the recommendations of expert committees on the 'methodology of cost of production'. Based on the latest three years actual cost estimates provided by the Directorate of Economics & Statistics, Ministry of Agriculture and Farmers Welfare which is compiled under 'Comprehensive Scheme for studying the Costs of Cultivation of Principal Crops in India', CACP undertakes cost projection exercise through the Crop Input Price Index crop-wise, state-wise for the ensuing season under certain implicit assumptions by utilizing statistical techniques. The CACP has factored in the cost of diesel in its projections of costs of production of the various crops for 2016-17, 2017-18 and 2018-19.