F. No. 9-5/2019-FES-ES

Ministry of Agriculture & Farmers Welfare
(Department of Agriculture, Cooperation & Farmers Welfare)
Directorate of Economics and Statistics
(FE Division)

Room No. 450, Krishi Bhawan, New Delhi Dated: 31 January, 2019

Shri Arakshit Goud, Ward No. 8, Board Colony Burla, Dist:- Sambalpur, Odisha:-768017

Subject:-Application under Right to Information Act, 2005 received vide Registration No. DOEAS/R/T/20/00004 dated 14/01/2020.

Dear Sir,

I am directed to refer to your RTI letter dated 14/01/2020 seeking information under RTI Act 2005. In this context, point no. 4 i.e. on per acre calculation of agricultural expenses for wheat and paddy crops at the time of fixation of Minimum Support Prices(MSPs) for year 2019 partly relates to this Division. The information is given as under:

Government fixes MSPs of 22 mandated agricultural crops including paddy and wheat and Fair and Remunerative Price(FRP) for sugarcane on the basis of recommendation of Commission for Agricultural Costs & Prices (CACP) after considering the views of State Governments and Central Ministries/Departments concerned & other relevant factors. While recommending MSPs, the CACP considers a host of important factors like cost of production, overall demand-supply conditions, domestic and international prices, inter crop price parity, terms of trade between agricultural and non agricultural sectors, the likely implications of MSP on consumers of that product and a minimum of 50 percent as the margin over cost of production etc. Cost, MSP and return for wheat and paddy for the year 2018-19 and 2019-20 are given at annexure.

The details of Appellate Authority for making appeal, if any, against the reply is Shri P. Sangeeth Kumar, Adviser & Appellate Authority, Room No 445A, Krishi Bhawan, New Delhi (Ph. No 011-23382236).

Yours faithfully

(Shweta Sahni) Economic Officer

Tel: 23388005

Copy to:

- 1. Shri Rameshwar Singh, CPIO F wing Room No 119, Shastri Bhawan, New Delhi.
- 2. RTI Cell, DAC&FW, Krishi Bhawan, New Delhi.

Cost*, MSP and Return

(Rs per quintal)

| (173 per qu | | | | | | | iritary |
|-------------|------------------------|---------|------|-----------------------------|---------|------|-----------------------------|
| SI. No. | Commodity | 2018-19 | | | 2019-20 | | |
| | | Cost* | MSP | % Return over Cost | Cost* | MSP | % Return over Cost |
| 1 | PADDY(Common) | 1166 | 1750 | 50.1 | 1208 | 1815 | 50.2 |
| | (Grade A) [^] | | 1770 | | | 1835 | |
| 2 | WHEAT | 866 | 1840 | 112.5 | 923 | 1925 | 108.6 |

^{*}Includes all paid out costs such as 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, diesel/electricity for operation of pump sets etc, miscellaneous expenses & imputed value of family labour.

[^] Cost is not separately compiled for Paddy (Grade A).