

**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: 23<sup>rd</sup> December 2020

**Shri K. Siva Rami Reddy,**  
Lohiya Vignana Samithi Andhra Pradesh State,  
Inner Ring Road, Back Side Chilli's Dhaba,  
1<sup>st</sup> Line, Sriramnagar, Amaravathi Road,  
Gorantla, Guntur, Andhra Pradesh- 522035

Subject:- Application under Right to Information Act, 2005 received vide Registration No. **DOA&C/R/P/20/01499 dated 25/11/2020.**

**Dear Sir,**

I am directed to refer to your RTI letter dated 25.11.2020 seeking information under RTI Act 2005. In this context, it is stated that partial information on point No. 2 & 3 regarding Minimum Support Prices (MSPs) relates to this Division and is given as under:

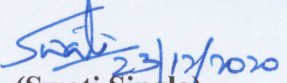
Government fixes MSPs of 22 mandated agricultural crops on the basis of recommendation of Commission for Agricultural Costs & Prices (CACP) after considering the views of State Governments and Central Ministries/Departments concerned & other relevant factors. While recommending MSPs, the CACP considers a number of important factors likes 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.

The National Commission on Farmers (NCF) headed by Dr. M.S. Swaminathan had recommended that the MSP should be at least 50 percent more than the weighted average cost of production. The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at a level of one and half times of the cost of production. (Details of Budget Speech 2018-19 is already in public domain and can be accessed at <https://archive.pib.gov.in/documents/rlink/2018/feb/p20182101.pdf>). Accordingly, Government has increased the MSPs for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards. Details of MSP notification issued to State Governments/Ministries and Departments concerned from the year 2018-19 to 2020-21 are given at **Annexure I**.

In line with the same principle, Government has announced the increase in MSPs for all mandated kharif crops of year 2020-21 on 1st June, 2020 and for all mandated rabi crops of year 2020-21 on 21<sup>st</sup> September, 2020. Details of MSP, cost of production and return over cost of production from 2018-19 to 2020-21 are given at **Annexure II**.

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

  
(Swati Singla)

Asstt. Economic Adviser  
Tel: 23070283

**Copy to:**

1. **Shri Rameshwar Singh, CPIO & Dy. Economic Adviser (CC), F wing Room No 119, Shastri Bhawan, New Delhi .**
2. **RTI Cell, DAC&FW, Krishi Bhawan, New Delhi.**