

F. No. 9-5/2019-FES-ES
Ministry of Agriculture & Farmers Welfare
(Department of Agriculture, Cooperation & Farmers Welfare)
Directorate of Economics and Statistics

Room No. 450, Krishi Bhawan, New Delhi

Dated: 28th November, 2019.

Shri Shah Ishan B,
6, Pratik Appartment,
Juni Kotan Market,
Sheri No 2,
Surendra Nagar,
Gujarat:- 363001,

Subject:-Application under Right to Information Act, 2005 received vide Registration No.
DOEAS/R/2019/80119 dated 15/11/2019.

Dear Sir,

I am directed to refer to your RTI letter dated 15.11.2019 seeking information under RTI Act 2005 in respect of various issues. Information regarding point no. 1 and 2 regarding legality of Minimum Support Price(MSP) and implementation of Swaminathan Committee recommendations concerning this Division is as under.

a) MSP is in the nature of minimum price for the farmers offered by the Government for their produce, in case the market price falls below that level. However, farmers are free to sell their produce to the government agencies at MSP or in the open market as is advantageous to them. The fixation of MSP is a matter of Government Policy and is not done under any act passed by the Government of India.

b) National Commission on Farmers(NCF) headed by Dr. M.S. Swaminathan had recommended that the Minimum Support Price(MSP) should be at least 50% more than the weighted average cost of production. Cost of production include 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 in cash and kind on the 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 and imputed value of human labour.

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSPs at levels of one and half times of the cost of production. Accordingly, Government had increased MSPs for all mandated Kharif, Rabi and other Commercial crops with a return of at least 1.5 times over all India weighted average cost of production for the season 2018-19. Government has recently increased the MSPs for all mandated Kharif and Rabi crops for 2019-20 season in line with the principle of providing 1.5 times return over all India weighted average cost of production.

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
(Swati Singla) 28/11/2019

Asstt. Economic Adviser
Tel: 23070283

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.

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