

## Govt Proposes Up to 7% Increase in MSP for Rabi Crops

**New Delhi:** The agriculture ministry has proposed a 5-7% increase in minimum support price (MSP) of rabi, or winter-sown, crops to improve the lot of farmers, a development that comes ahead of the assembly election in the food bowl state of Haryana. Punjab and Haryana together contribute around 70% wheat to the central pool, which is used to run public distribution and other welfare schemes. The ministry has proposed raising of wheat procurement price by 4.6% to ₹1,925 per quintal from last year's ₹1,840. This is likely to put an additional burden of around ₹3,000 crore on the government's ₹1.84



Crops	Existing MSP (in ₹/quintal)	Proposed MSP (in ₹/quintal)	% Hike
Wheat	1,840	1,925	4.61
Barley	1,440	1,525	5.9
Mustard	4,200	4,425	5.35
Masur	4,475	4,800	7.26
Safflower	4,945	5,215	5.4

lakh crore food subsidy bill. The cabinet is likely to take a decision soon as the winter sowing begins from November. The ministry has proposed a 5.3% increase in the mustard MSP, which will take the existing floor price of ₹4,200 a quintal to ₹4,425, and a higher increase of 5.9% in the MSP of barley. It has proposed the highest increase of 7.26% in the MSP of masur, to ₹4,800 a quintal. The Commission for Agricultural Costs and Prices (CACP), which recommends MSP for major crops, takes into consideration the overall cost of production. Prime Minister Narendra Modi has assured farmers MSP at 150% of the input cost. "The proposals are under consultation with related ministries like food before being sent to the cabinet for approval. Normally, CACP's recommendations are accepted fully. The prices will soon be notified," said a senior agriculture department official, who did not wish to be identified. The government has been promoting cultivation of pulses and oilseeds over foodgrains for the past few years. There has been record production of foodgrains with each successive year, leaving the government granaries overflowing. With more than 71 million tonnes of foodgrains in stock, the government aims to augment the production of edible oil to reduce the import bill, which has swelled to around ₹80,000 crore. "A significant rise is proposed in mustard and safflower to encourage farmers to shift from wheat to oilseeds. Among coarse cereals, barley too got a boost," said another official.

Source: [Economic times, October 05, 2019 \(verbatim reproduced\)](#)