

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2274
TO BE ANSWERED ON THE 05/08/2022

PROFITABILITY IN CROP CULTIVATION

2274. SHRI DEREK O' BRIEN

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) data for gross value of output (GVO), A2 cost of cultivation, C2 cost of cultivation for rice, wheat, maize, jute, pulses, rubber and cotton for last five years;
- (b) profitability of above crops based on GVO, A2 and C2 Cost of cultivation over the last five years;
- (c) whether crop profitability has gone down over the years due to increasing prices of inputs and decline and stagnation in output prices, if so, details thereof; and
- (d) the manner in which Government plans to increase the profitability of these crops for the farmers, the details thereof ?

ANSWER

MINISTER OF AGRICULTURE & FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a): Under the Comprehensive Scheme for studying the cost of cultivation of Principal Crops in India, estimates of cost of cultivation/production are generated for mandated crops. Rubber crop is not selected under the scheme for studying the cost of cultivation. The data for gross value of output (GVO) and A2 Cost of Cultivation for Paddy, Wheat, Maize, Jute, Pulses and Cotton for the last five years are given in Annexure.

(b) to (d): Government fixes Minimum Support Prices (MSP) for 22 mandated agricultural crops and Fair and Remunerative Price (FRP) for sugarcane on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after considering the views of State Governments and Central Ministries/ Departments concerned, other relevant factors and a minimum of 50 per cent as the margin over cost of production. The CACP considers A2+FL cost, whereas A2 refers to all actual expenses in cash and kind incurred in production and rent paid for leased-in land, and FL refers to imputed value of Family Labour. The MSP for all the mandated Kharif, Rabi and other commercial crops is announced with a return of at least 50% over all India weighted average cost of production from the agricultural year 2018-19 onwards.

Referred to in reply to part (a) of Rajya Sabha unstarred question no. 2274 for 05/08/2022

Data for CoC A2 and GVO

Crops	Year	CoC A2 (Rs. Per Hectare)	GVO (Rs. Per Hectare)
Wheat (Rabi)	2015-16	25494	62327
	2016-17	26531	74242
	2017-18	28691	73491
	2018-19	31705	83612
	2019-20	31070	85814
Paddy	2016-17	31501	61155
	2017-18	36325	68361
	2018-19	38283	74541
	2019-20	41679	79279
	2020-21	42573	77278
Maize	2016-17	25627	49786
	2017-18	30778	54770
	2018-19	31541	56607
	2019-20	34453	64785
	2020-21	38402	61253
Jute	2015-16	37640	84924
	2016-17	45050	87516
	2017-18	47779	91195
	2018-19	50846	102549
	2019-20	53155	109448
Arhar(Tur)	2016-17	29486	72966
	2017-18	30685	53678
	2018-19	29477	49443
	2019-20	32287	64895
	2020-21	34849	64999
Moong	2016-17	12161	28020
	2017-18	13967	22822
	2018-19	14428	29911
	2019-20	13597	26216
	2020-21	16309	33317

Urad	2016-17	16679	39724
	2017-18	16021	23922
	2018-19	17633	26481
	2019-20	17397	24801
	2020-21	18878	35142
Gram (Rabi)	2015-16	19614	43790
	2016-17	24474	70258
	2017-18	24370	47409
	2018-19	22678	48829
	2019-20	24038	52629
Lentil (Rabi)	2015-16	15492	45204
	2016-17	16636	54224
	2017-18	16950	37374
	2018-19	17143	45883
	2019-20	17750	48243
Cotton	2016-17	43802	91051
	2017-18	50201	76356
	2018-19	47820	86131
	2019-20	55059	87005
	2020-21	53978	77336

Source : Commission for Agricultural Costs & Prices
