

to assist small and marginal farmers including re-distribution of surplus land. The Government of India also implements schemes which enable the farmers to supplement their income by diversifying into the dairying, fisheries and poultry sectors.

Representation of farmers in Agriculture Produce Commission

†2307. SHRI NARESH CHANDRA AGRAWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Agriculture Produce Commission (APC) has the right to fix the price of produce of farmers in the country;

(b) if so, the details of its norms;

(c) whether it is a fact that for being no farmer as member of APC there is huge difference between the prices of produce and cost which is the cause of gross dissatisfaction amongst the farmers in the country;

(d) if so, whether he will be pleased to make two progressive farmers as members of APC; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS):
(a) to (c) The Commission on Agricultural Costs and Prices (CACP) is an advisory body which recommends Minimum Support Prices (MSPs) on mandated agricultural commodities to the Government of India. The Government fixes the MSPs for agricultural commodities taking into account, *inter-alia*, the recommendations of the CACP, the views of concerned State Governments and Central Ministries.

The CACP, while formulating its recommendations on price policy considers a number of important factors which include cost of production, changes in input prices, input/output price parity etc. The cost of cultivation/production includes all paid out costs, such as, those incurred on account of hired human labour, bullock/machine labour (both hired and owned) and rent paid for leased in land besides cash and kind expenses on use of material inputs like seeds, fertilizers, manures, irrigation charges including cost of diesel/electricity for operation of pump sets, etc. Besides, the cost of production includes imputed value of wages of family labour and rent for owned land. The cost also covers depreciation of farm machinery and buildings.

The Non-Official Member of the CACP represents farming community. While recommending the MSP for different agricultural commodities the CACP, *inter-alia*, takes into consideration the cost of production.

(d) and (e) CACP at present comprises of Chairman, Member Secretary, one Official Member and one Non-Official Member. The Non-Official Member is a representative of the farming community.

†Original notice of the question was received in Hindi.