



## Status Quo at Shambhu Border

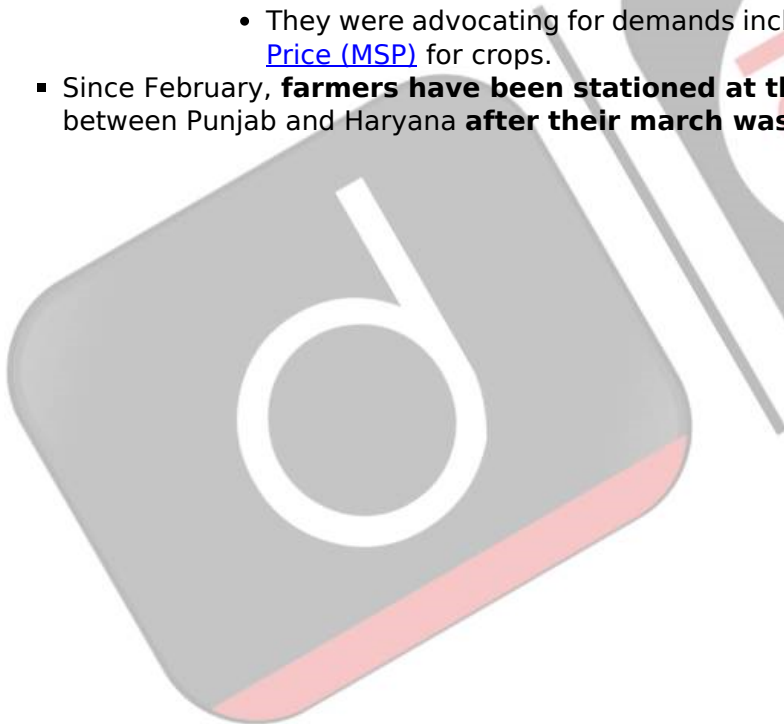
### Why in News?

Recently, [the Supreme Court](#) proposed to make an independent committee, comprising eminent persons, to **reach out to the protesters at Shambhu border** to find a solution to their demands.

### Key Points

- The top court was addressing the Haryana government's plea challenging the **Punjab and Haryana High Court's** directive to remove the barricades at the Shambhu border near Ambala, within a week, where farmers have been camping since 13<sup>th</sup> February 2024.
  - In February, the Haryana government set up barricades on the **Ambala-New Delhi National Highway** in response to plans by the [Samyukta Kisan Morcha](#) and [Kisan Mazdoor Morcha](#) to march to Delhi.
    - They were advocating for demands including a legal guarantee of [Minimum Support Price \(MSP\)](#) for crops.
- Since February, **farmers have been stationed at the Shambhu and Khanauri border** points between Punjab and Haryana **after their march was halted by security forces.**

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# MINIMUM SUPPORT PRICE (MSP)

The rate at which the govt. purchases crops from farmers; based on a calculation of at least 1.5x the cost of production incurred by the farmers

## RECOMMENDED BY

Commission for Agricultural Costs & Prices (CACP) (recommends MSPs for 22 mandated crops and Fair and Remunerative Price for Sugarcane)

## 22 MANDATED CROPS

(14 Kharif, 6 Rabi and 2 Other Commercial crops)

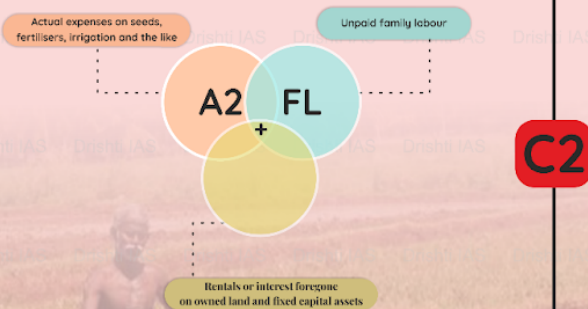
|   |                   |   |
|---|-------------------|---|
| 7 | <b>CEREALS</b>    | Paddy, Wheat, Barley, Jowar, Bajra, Maize And Ragi                                  |
| 5 | <b>PULSES</b>     | Gram, Arhar/tur, Moong, Urad And Lentil   |
| 7 | <b>OILSEEDS</b>   | Groundnut, Rapeseed/mustard, Soyabean, Sunflower, Sesamum, Safflower And Niger Seed |
|   | <b>RAW COTTON</b> |   |
|   | <b>RAW JUTE</b>   |   |
|   | <b>COPRA</b>      |   |

MSP is the price at which the govt. is supposed to procure the mandated crops from farmers if the market price falls below it

## FACTORS FOR RECOMMENDING MSP

- Cost of cultivation
- Demand-Supply situation for the crop
- Market price trends
- Inter-crop price parity
- Implications for consumers (inflation)
- Environment (soil and water use)
- Terms of trade b/w agri and non-agri sectors (ratio of farm inputs and outputs)

Considers both A2+FL and C2 costs



MSP has no statutory backing — a farmer cannot demand MSP as a matter of right

PDF Refernece URL: <https://www.drishtias.com/printpdf/status-quo-at-shambhu-border>

