



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 13th 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 CEREALS Paddy, Wheat, Barley, Jowar, Bajra, Maize And Ragi

5 PULSES Gram, Arhar/tur, Moong, Urad And Lentil

7 OILSEEDS Groundnut, Rapeseed/mustard, Soyabean, Sunflower, Sesamum, Safflower And Niger Seed

RAW COTTON

RAW JUTE

COPRA

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

Actual expenses on seeds, fertilisers, irrigation and the like

Unpaid family labour

A2

FL

+

C2

Rentals or interest foregone on owned land and fixed capital assets

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



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