

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2680
ANSWERED ON:16.08.2004
REMUNERATIVE PRICE OF PADDY
Patle Shri Shishupal Natthu

Will the Minister of AGRICULTURE be pleased to state:

- (a) Whether the paddy farmers of the country particularly those of Maharashtra are forced to sell their produce at rates lower than the Minimum Support Price;
- (b) If so, whether the Government are formulating any action plan to cover the loss incurred by the paddy farmers;
- (c) Whether the Government propose to fix higher Minimum Support Price of paddy to ensure remunerative prices of paddy to the farmers for the year 2004-2005; and
- (d) If so, the details in this regard and by when it is likely to be implemented ?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) & (b) : The main objective of price policy for agricultural produce is to ensure remunerative prices to the growers for their produce. With a view to encourage higher investment and production, and to safeguard the interests of consumers by making available supplies at reasonable prices, Government announces each season Minimum Support Prices (MSPs) for major agricultural commodities. During the marketing year 2003-04 (October to September) the quantity of rice procured in the country as a whole till 2nd August,2004 was 22.48 million tonnes as against 16.03 million tonnes till the corresponding date in the previous year. As regards Maharashtra, the procurement of rice till 2nd August,2004 was 2.77 lakh tonnes compared with 1.33 lakh tonnes till the corresponding date in the previous year. A statement showing procurement till 2nd August,2004 is enclosed (Statement-I)

The wholesale prices of agricultural commodities are constantly monitored and instances of market prices ruling below the MSPs are referred to the respective designated central nodal agencies for undertaking procurement operations. The designated central nodal agencies are required to intervene in the market for undertaking price support operations in case the prices fall below the MSP level fixed by the Government.

(c) & (d): The Government has recently announced the Price Policy for Kharif Crops of 2004-05 season. MSPs for all the Kharif crops, including paddy, have been fixed at a level higher than those for 2003-04 season. A statement showing the MSPs of major agricultural commodities announced in recent years is enclosed (Statement-II).