GOVERNMENT OF INDIA AGRICULTURE LOK SABHA

STARRED QUESTION NO:35
ANSWERED ON:20.10.2008
MINIMUM SUPPORT PRICE FOR PADDY
Mollah Shri Hannan;Tripathy Shri Braja Kishore

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has announced Rs.850 per quintal as the Minimum Support Price (MSP) for paddy and proposes to revise it further to Rs.1000 per quintal;
- (b) if so, the details thereof;
- (c) whether in view of the continued hike in prices of inputs, the Swaminathan Commission has recommended to fix MSP on "average cost of inputs plus 50 percent extra" and
- (d) if so, the details thereof and the time by which the Government proposes to raise MSP for paddy?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 35 DUE FOR REPLY ON 20TH OCTOBER, 2008.

(a) to (d): Yes, Sir. The Government has announced a Minimum Support Price of Rs.850 per quintal for the Common variety of paddy and Rs.880 per quintal for Grade A variety of paddy for 2008-09 season. The Government has, at present, no proposal to revise the same. However, a proposal to grant bonus of Rs.50 per quintal has been approved, over and above the Minimum Support Price (MSP).

National Commission on Farmers chaired by Dr. M.S. Swaminathan had recommended that Minimum Support Prices (MSPs) should at least 50 per cent more than the weighted average cost of production. This recommendation has not been accepted by the Government since MSP is recommended by the Commission for Agricultural Costs and Prices (CACP) who, inter alia, takes into account various factors, which include the cost of production of respective crops also before arriving at their recommendations.