

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3026

ANSWERED ON:20.12.2004

ADVANCE ANNOUNCEMENT OF MINIMUM SUPPORT PRICE

Kulaste Shri Faggan Singh;Singh Shri Chandrabhan Bhaiya

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government of Madhya Pradesh has requested that the announcement of support price of agricultural commodities should be made in advance before one crop season;
- (b) if so, the action taken by the Union Government on this demand;
- (c) whether the Government would announce the support price this year in advance before one crop season as demanded by Madhya Pradesh;
- (d) if so, by when;
- (e) whether any proposal is pending to make the insurance units to implement crop insurance scheme; and
- (f) if so, the time by which the same would be implemented?

Answer

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

(a)&(b): Though no such proposal has been received, every effort is being made to minimize the time lag between commencement of sowing season and announcement of Minimum Support Prices (MSPs).

(c)&(d): The Government decides on the Minimum Support Prices (MSPs) for various agricultural commodities taking into account the recommendations of

Commission for Agricultural Costs and Prices (CACP), the views of State Governments and concerned Central Ministries as well as such other relevant factors, which in the opinion of the Government, are important for fixation of MSPs. As the purpose of MSPs is to give price signal to farmers with regard to choice of crops, every effort is made to expedite announcement of MSPs. The MSPs of Kharif Crops of 2004-05 season were announced on 10th August, 2004 while the MSPs of Rabi crops of 2004-05 to be marketed in 2005-06 were announced on 3rd November, 2004.

(e)&(f): The National Agricultural Insurance Scheme (NAIS) operates on `Area approach` basis which may be Gram Panchyat, Mandal, Hubli, Circle, Phirka, Block, Tehsil etc. The assessment of crop loss is made on the basis of unit area of insurance, which is decided by the implementing State/UT. As per the provision of the scheme each participating State/UT is allowed to notify any unit area of insurance including Patwari Circle, if the implementing State has the capacity to undertake requisite number of Crop Cutting Experiments. The Implementing Agency has already apprised the States.