

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2699
ANSWERED ON:10.08.2010
MSP ON CROPS VARIETIES
Choudhry Smt. Shruti

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government fixes MSP of crops, including paddy on varieties basis;
- (b) if not, the reasons therefor; and
- (c) the steps taken for fixing separate MSP for fine and superfine varieties of crops including paddy for promoting the cultivation of high quality paddy in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION PROF. K.V. THOMAS

(a) to (c): The minimum Support Prices (MSPs) of agricultural produce, including paddy, are fixed by the Government each year. MSP for two varieties of Paddy, Jowar, Cotton and Soyabean are fixed by the Government.

The MSP is in the nature of a minimum guaranteed price for the farmers offered by the Government for their produce in case the market prices fall below that level. If the market offers higher price than MSP, the farmers are free to sell at that price. Superior grade of rice, always commands a higher market price than the MSP. In addition, superfine varieties of rice also have a ready export market.

In order to increase production and productivity of foodgrains, including paddy of all varieties, the Government implements a number of schemes/programmes, which include inter alia, National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY), Integrated Cereals Development Programme etc.