

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:350
ANSWERED ON:02.08.2011
MINIMUM SUPPORT PRICE OF PADDY
Ahir Shri Hansraj Gangaram

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the minimum support price of paddy has been raised by Rs. 80 only despite the recommendations of the Commission for Agricultural Costs and Prices (CACP);
- (b) if so, the details of the recommendations made by the said Commission; and
- (c) the reasons for making nominal increase in the support price of paddy in comparison to that of pulses by the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) to (c): The Minimum Support Price (MSP) of paddy has been raised by Rs. 80 per quintal as per the recommendations of the Commission for Agricultural Costs & Prices (CACP). In addition, CACP had recommended that if exports remain banned and levy is not reduced, Government should give a bonus of Rs. 80 per quintal on top of the recommended MSP.

The levy on rice is declared by the State Governments according to requirements under various welfare schemes. The Government has recently allowed export of one million tonne of non-basmati rice.

The increase in the MSP for pulses is higher compared to paddy in order to incentivise the production of pulses in view of the demand-supply gap.