

Measures to provide reasonable price of paddy to farmers

†*213. SHRI VEER PAL SINGH YADAV: Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Government has taken any measure to provide reasonable price of paddy to the farmers directly and promptly;
- (b) the target fixed by Government for procurement of paddy during this year; and
- (c) if so, the details thereof?

THE MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR): (a) The Commission for Agricultural Costs & Prices (CACP), while formulating its recommendations on price policy for paddy and other commodities considers a number of important factors which include cost of production, changes in input prices, input/output price parity, trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers. Accordingly, MSP for 2008-09 was fixed at Rs.850 per quintal for paddy (common) and at Rs.880 per quintal for paddy Grade 'A', which represents an increase of 31.8% and 30.4% respectively over the previous year. The MSP of paddy covers the all India projected average cost of production of Rs.619 per quintal. Further, in order to benefit farmers as well as to maximize the procurement of paddy/rice, an incentive bonus of Rs.50 per quintal over and above the MSP has been allowed during the current Kharif Marketing Season 2008-09.

To provide price support to the farmers, FCI and agencies of the State Government procure paddy/rice conforming to the prescribed specifications at the MSP plus incentive bonus, if any. In order to widen the coverage of MSP operation as well as to avoid the distress sale of paddy/rice, FCI and State Governments have been allowed to engage other agencies for procurement in areas where the infrastructure is weak. During 2008-09 upto 14.7.2009, Government agencies have procured 316 lakh tonnes of rice. However, farmers are free to sell their produce in the open market if that is advantageous to them.

(b) and (c) Since sowing of paddy crop of 2009-10 is still in progress, no estimate of paddy/rice procurement has been finalized.

Diversion of kerosene and foodgrains from PDS

*214. SHRI RAHUL BAJAJ: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state the estimated percentage of diversion of kerosene and foodgrains from the Public Distribution System (PDS) to the black market and the annual cost to the public exchequer of such diversion?

† Original notice of the question was received in Hindi