

2008-09. In the above period, the MSP of paddy of Grade A variety has been increased from Rs.610 to Rs.880 per quintal.

- Over and above the MSP, a bonus of Rs.100 per Quintal in procurement of rice in Kharif Marketing Season (KMS) 2007-08 and Rs. 50 per Quintal in KMS 2008-09 has been given.
- NAFED was permitted to procure wheat on behalf of FCI in Madhya Pradesh, Gujarat and Bihar in the Rabi Marketing Season (RMS) 2008-09.
- Export of non-basmati rice was restricted and later banned from 01.04.2008.
- Wheat exports on private account has been banned till further order.

(c) The production targets for wheat and rice fixed for the years 2006-07 to 2008-09 are given in the table below:

	(Million Tonnes)		
Crop	2006-07	2007-08	2008-09
Wheat	75.53	75.50	78.50
Rice	92.80	93.00	97.00

Adverse effect of failure of monsoon on crops

720. SHRI ISHWAR SINGH:

SHRI MAHENDRA MOHAN:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Union Government has initiated an action plan to cope with deficiency in water which has threatened to affect the Kharif crop;

(b) if so, whether Government has convened a meeting of States affected by deficient rains and discussed the adverse impact of the failure of the monsoon on crops;

(c) if so, the details of discussion held and outcome thereof; and

(d) the strategies to be adopted to, face the situation, if the current monsoon fails?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) to (d) Ministry of Agriculture, Government of India, convened the meeting of the Principal Secretaries/ Secretaries alongwith the technical persons of the States in the Central and Southern parts of the country on 125.6.2009 to review the impact of slow progress of monsoon on the sowings of agriculture crops and alternate plans if the current trends continues. In view of the prevalent weather conditions, the States have drawn up contingency Crop Plan for implementation, if the rains are delayed/not received by 15th July, 2009. Following this, three video conferences were held involving the States of Maharashtra, Andhra Pradesh, Gujarat, Madhya Pradesh, Uttar Pradesh, Punjab, Haryana, Rajasthan, Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Assam and Bihar.

Ministry of Power has been requested to enhance allocation of Electricity to States like Punjab and Haryana. The Government is closely monitoring the situation on day to day basis. The States have also been advised to identify the pockets of distress, if any, and take remedial measures. The Ministry also intends to increase the allocation under National Food Security Mission (NFSM) and Rashtriya Krishi Vikas Yojana (RKVY) and give more flexibility to States to use these Schemes to meet the contingent situation particularly for purchase and distribution of seeds for alternate crops/varieties and support for micro-irrigation etc.

Remunerative price for agriculture produce

721. SHRI MAHENDRA MOHAN: Will the Minister of AGRICULTURE be pleased to state:

- (a) whether Government is aware that day by day agriculture is becoming unremunerative and farmers are falling into debt trap;
- (b) if so, what has been done by Government to provide better returns for their crops;
- (c) what has been done by Government to teach farmers growing organic crops and pesticides free farming methods which may give them better price; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) and (b) Minimum Support Prices (MSPs) fixed by the Government provides remunerative prices to farmers. The Government's price policy for agricultural commodities seeks to ensure remunerative prices to the growers for their produce with a view to encourage higher investment and production, and to safeguard the interest of consumers by making available supplies at reasonable prices.

The Commission for Agricultural Costs & Prices (CACP), while formulating its recommendations on price policy considers a number of important factors which include cost of production. The cost of production taken into account includes all paid out costs, besides cash and kind expenses on use of material inputs, irrigation charges including cost of diesel/electricity for operation of pump sets, etc. Besides, cost of production includes imputed value of wages of family labour and rent for owned land. The cost also covers depreciation of farm machinery and buildings. As such, the cost of production covers not only actual expenses in cash and kind but also imputed value of owned assets including land and family labour.

During 2008-09, MSP's of Kharif crops were raised substantially over their 2007-08 level. The increase ranged between 29 percent in case of Arhar (Tur) and 94 percent in case of Nigerseed. In the case of rabi crops of 2008-09 season maximum increase in MSP of 10 percent was given for Masaur (Lentil). To be remunerative, the MSPs fixed for 2008-09 season cover the all-India cost of production as projected by CACP for the respective crops. MSP is in the nature of a minimum guaranteed price for the farmers offered by the Government for their produce in case the market