

of India and incur expenditure as per the SDRF/NDRF guidelines, issued by Government of India (Ministry of Home Affairs) on 08.04.2015.

Formula for fixing MSP for paddy and wheat

†670. DR. KIRODI LAL MEENA: Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) the details of the formula adopted by Government to fix the Minimum Support Price (MSP) for paddy, wheat etc.;

(b) whether the MSP fixed recently for crops is equal to the formula of it being more than 50 per cent of agriculture cost according to the recommendations of Swaminathan Commission, if so, the details thereof; and

(c) the steps being taken by Government to ensure that MSP should be equal to C2 plus 50 per cent?

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE (SHRI NARENDRA SINGH TOMAR): (a) Government fixes minimum support prices (MSPs) of 22 mandated crops including paddy, wheat, for every agricultural year and fair and remunerative price (FRP) for sugarcane on the basis of recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned and other relevant factors. In addition, MSP for Toria and De-Husked coconut is also fixed on the basis of MSPs of Rapeseed and Mustard and Copra respectively. While recommending MSPs, CACP considers important factors like cost of production, overall demand-supply conditions, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors, the likely effect on the rest of the economy, besides ensuring rational utilization of land, water and other production resources and a minimum of 50 percent as the margin over cost of production in case of MSPs and reasonable margins over cost of production in case of FRP.

(b) and (c) National Commission on Farmers (NCF) headed by Dr. M.S. Swaminathan had recommended that the MSP should be at least 50 percent more than the weighted average cost of production. However, when the National Policy for Farmers, 2007 was finalized by the then Government, this recommendation of providing 50 per cent returns over cost of production was not included.

†Original notice of the question was received in Hindi.

CACP considers both A2+FL and C2 costs while recommending MSPs. CACP reckons only A2+FL cost for return. However, C2 costs are used by CACP primarily as benchmark reference costs (opportunity costs) to see if the MSPs recommended by them at least cover these costs in some of the major producing States.

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSPs for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent of cost of production for the agricultural year 2018-19. During 2019-20 also, Government has increased the MSP of all mandated kharif and rabi crops in line with the principle of fixing the MSP with a return of atleast 50 per cent of the cost of production.

Burning of crop residue

671. SHRI C.M. RAMESH: Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether, inspite of ban by the National Green Tribunal, crop residue burning is still going on in some States and is spreading to other States resulting in severe pollution, if so, the details thereof; and

(b) whether any meeting of heads of State Governments have taken place in recent past to avoid such burning which has become a common feature every year and whether Government propose to put hefty fines on errant farmers, if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE (SHRI NARENDRA SINGH TOMAR): (a) Paddy stubble burning is mainly practiced in Indo-Gangetic plains of the States of Punjab, Haryana and Uttar Pradesh to clear the fields for Rabi crop sowing. The farmers are resorting to paddy stubble burning because of very short time window between the harvesting of paddy crop and the sowing of next crop. As per satellite data, overall about 18.8% and 31% reduction in number of paddy residue burning events were observed in the year 2019 as compared to that in 2018 and 2017, respectively in these three States. As informed by other States, the severities of uncontrolled crop residue burning incidences are not significant.

(b) The fire events in the States of Punjab, Haryana and Uttar Pradesh have been monitored through the satellite remote sensing and through several meetings and