

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE & FARMERS WELFARE
DEPARTMENT OF AGRICULTURE & FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO- 649
TO BE ANSWERED ON 22/07/2022

RECOMMENDATION OF CACP ON PROCUREMENT OF PADDY

649. SHRI BRIJLAL

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether the Commission for Agricultural Costs and Prices (CACP) has recommended for procurement of paddy during the current season at Minimum Support Price (MSP), only from small and marginal farmers in order to deal with the problem of over-stocking of foodgrains, if so, the details thereof and the response of Government thereon; and
- (b) the steps taken by Government to deal with the adverse effects of the said decision on big farmers?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (b) Government fixes Minimum Support Prices (MSPs) for 22 mandated agricultural crops and Fair & Remunerative Price (FRP) for sugarcane on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after considering the views of the State Governments and Central Ministries/Departments concerned and other relevant factors.

There is no discrimination among small, marginal and big farmers for procurement of paddy at Minimum Support Price (MSP). State Government agencies and Food Corporation of India (FCI) purchase paddy with prescribed Fair Average Quality (FAQ) specifications at MSP for Central Pool. However, if producer/farmer gets better price in comparison to MSP, they are free to sell their produce in open market.

Further, Procurement in a State depends upon production, marketable surplus, MSP, prevailing market rate, demand & supply situation and participation of private traders etc.
