



Chhattisgarh Government Transfers Funds Under 'Krishak Unnati' Scheme | Chhattisgarh | 14 Mar 2024

Why in News?

Recently, Chhattisgarh Government launched the '**Krishak Unnati Yojna**' to provide input assistance to farmers, mainly paddy cultivators and released **₹13,320 crore to 2.472 million farmers** under the scheme.

Key Points

- The paddy procurement for the **2023-24 kharif season** was held between November 1 and February 4, and around **145 lakh Metric Tonnes (MT) of paddy was procured** from over 2.4 million farmers at **Minimum Support Price (MSP)**.
 - The MSP for common grade paddy was ₹2183 per quintal and ₹2203 for Grade A paddy.
 - The difference amount over the MPS was given to farmers as input assistance at the rate of ₹917 per quintal.
- The state government also gave an outstanding paddy bonus for two years (2014-15 and 2015-16) worth ₹3,716 crore to the farmers on the occasion of former PM Atal Bihari Vajpayee's birthday in December 2023.

Note

Rice varieties are **classified as 'Grade A' and 'Common'** based on shape length:breadth (L:B ratio) for fixing the procurement price of paddy and for trading of milled rice.

MINIMUM SUPPORT PRICE (MSP)

The rate at which the govt. purchases crops from farmers; based on a calculation of at least 1.5x the cost of production incurred by the farmers

RECOMMENDED BY

Commission for Agricultural Costs & Prices (CACP) (recommends MSPs for 22 mandated crops and Fair and Remunerative Price for Sugarcane)

22 MANDATED CROPS

(14 Kharif, 6 Rabi and 2 Other Commercial crops)

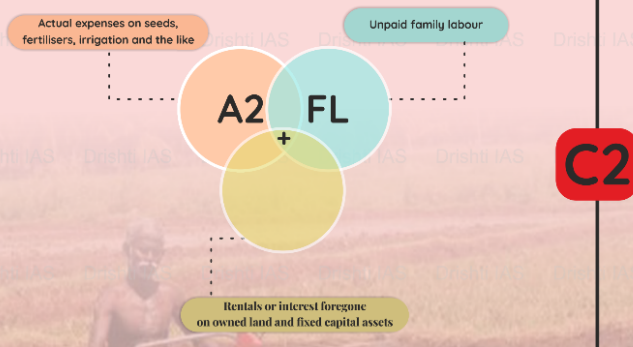
7	CEREALS	Paddy, Wheat, Barley, Jowar, Bajra, Maize And Ragi
5	PULSES	Gram, Arhar/tur, Moong, Urad And Lentil
7	OILSEEDS	Groundnut, Rapeseed/mustard, Soyabean, Sunflower, Sesamum, Safflower And Niger Seed
	RAW COTTON	
	RAW JUTE	
	COPRA	

MSP is the price at which the govt. is supposed to procure the mandated crops from farmers if the market price falls below it

FACTORS FOR RECOMMENDING MSP

- ▶ Cost of cultivation
- ▶ Demand-Supply situation for the crop
- ▶ Market price trends
- ▶ Inter-crop price parity
- ▶ Implications for consumers (inflation)
- ▶ Environment (soil and water use)
- ▶ Terms of trade b/w agri and non-agri sectors (ratio of farm inputs and outputs)

Considers both A2+FL and C2 costs



MSP has no statutory backing — a farmer cannot demand MSP as a matter of right

