

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 642**  
TO BE ANSWERED ON THE 08/12/2023

**NEGOTIATIONS AND ASSURANCES GIVEN TO FARMERS UNION**

642. SHRI MALLIKARJUN KHARGE:

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

- (a) the details of various rounds of negotiation/talks with agitating farmer unions during the 2020-21 Farmers' Protest, including the objectives, issues discussed, and outcomes, round-wise;
- (b) whether any assurances were given to the farmer unions in this regard;
- (c) if so, the details thereof, including the action taken by Government in this regard, assurance-wise;
- (d) whether Government gave an assurance to the farmers to make legislation on guaranteed MSP; and
- (e) the details of implementation of the legislation on guaranteed MSP?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (e): The Farm Laws, namely - (i) the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020; (ii) the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020; and (iii) the Essential Commodities (Amendment) Act, 2020 were repealed vide the Farm Laws Repeal Act, 2021 (No. 40 of 2021) vide notification dated 30<sup>th</sup> November, 2021.

The Government of India announces Minimum Support Prices (MSP) for 22 mandated agricultural crops based on recommendations from the Commission for Agricultural Costs and Prices (CACP). The CACP takes into account various factors when suggesting MSP, including overall demand-supply conditions, cost of production, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors, and the potential impact on the economy. Ensuring rational utilization of land, water, and production resources is also a key consideration.

In the Budget for 2018-19, the Government made a decision to maintain MSP at a level of one and a half times the cost of production as a predetermined principle. Consequently, MSPs for all mandated Kharif, Rabi, and other commercial crops have been set with a margin of at least 50 per cent over the all India weighted average cost of production since 2018-19. The Government has formed MSP Committee in July, 2022 which consists of representatives of farmers, Central Government, State Governments, Agricultural Economists & Scientists, etc.

The committee is to make suggestions so as to make MSP more effective and transparent; to promote natural farming, to change crop pattern keeping in mind the changing needs of the country. The meetings of the committee are being held on regular basis to deliberate on the subject matter assigned to it. So far, 35 rounds of meetings have taken place.

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