

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

RAJYA SABHA
UNSTARRED QUESTION NO-507
TO BE ANSWERED ON 26/07/2024

LAW TO ENSURE MSP

507. DR. SASMIT PATRA:
SHRI DEREK O' BRIEN:

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

- (a) whether Government intends to enact a law for ensuring Minimum Support Price (MSP) for farmers;
- (b) if so, the details of the plan of implementation and timelines, if not, the reasons therefor;
- (c) whether Government has adopted the Swaminathan Committee Report's proposed calculation for MSP; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI SHIVRAJ SINGH CHOUHAN)

(a) to (b) To make minimum support prices (MSPs) more effective and transparent, a committee has been constituted on 12th July, 2022. The subject matter of the committee include three points, such as, (i) Suggestions to make available MSP to farmers of the country by making the system more effective and transparent. (ii) Suggestions on practicality to give more autonomy to Commission for Agricultural Costs and Prices (CACP) and measures to make it more scientific, and (iii) To strengthen the Agricultural Marketing System as per the changing requirements of the country to

ensure higher value to the farmers through remunerative prices of their produce by taking advantage of the domestic and export opportunities.

(c) to (d) National Commission on Farmers (NCF), constituted under the Chairmanship of Prof. M.S. Swaminathan in 2004, inter alia, recommended that MSP should be at least 50 percent more than the weighted average cost of production. To give effect to this recommendation, Government, in its Union Budget for 2018-19, had made an announcement to keep MSP at a level of one and half times of the cost of production as a pre-determined principle. Accordingly, MSPs for all mandated Kharif, Rabi and other commercial crops have been fixed with a margin of at least 50 per cent over all India weighted average cost of production.
