

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

LOK SABHA
UNSTARRED QUESTION NO. 1409
TO BE ANSWERED ON THE 12TH DECEMBER, 2023

LEGAL GURANTEE TO MSP

1409. SHRI MANISH TEWARI:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether it is true that despite multiple assurances the Government has failed to make Minimum Support Price (MSP) a legal guarantee to the farmers;
- (b) whether there has been any discussions of the MSP Committee in furtherance of making MSP a legal guarantee and if so, details thereof; and
- (c) the causes for the delay in making MSP a legal guarantee despite repeated assurances?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI ARJUN MUNDA)

(a) to (c): Each year, Government fixes Minimum Support Prices (MSP) for 22 mandated agricultural crops, on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned.

Further, Government in its 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 MSP for all mandated Kharif, Rabi and other commercial crops with a margin of at least 50 per cent over all India weighted average cost of production from the agricultural year 2018-19 onwards.

To realize the objectives of MSP Policy, Government extends price support for paddy and wheat through the Food Corporation of India (FCI) and State Agencies. Under this policy food grains offered by farmers within the stipulated period & conforming to the specifications prescribed by Government are purchased at MSP by the State Government agencies and FCI for Central Pool. Additionally, Oilseeds, pulses and copra of Fair Average Quality (FAQ) are procured from registered farmers under Price Support Scheme under Umbrella Scheme of PM-AASHA, as per its guidelines at MSP in consultation with the concerned State Governments, when market price of these produce fall below the MSP. Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI), respectively.

Moreover, the Government has constituted a Committee, which consists of representatives of farmers, eminent Agriculture Economists & Scientists and senior officers of Central Government. The Committee is to make suggestions so as to make Minimum Support Price (MSP) more effective and transparent; to promote natural farming; to change crop pattern keeping in mind the changing needs of the country.
