

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

LOK SABHA
UNSTARRED QUESTION NO . 2439
TO BE ANSWERED ON THE 06TH AUGUST, 2024

INCREASING MINIMUM FIXED PRICE

2439 .SMT . PRATIMA MONDAL :

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

- (a) whether the Government plans to increase the minimum fixed price, if so, the details thereof; and
- (b) the reasons as to why the Government has raised the minimum fixed price for soybean and cotton by more than fifty percent while that of rice was raised by only seven percent despite

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAM NATH THAKUR)

(a) & (b) : Government fixes Minimum Support Price (MSP) for 22 mandated crops on the basis of the recommendations of the Commission for Agricultural Costs & Prices (CACP) and in consultation with State Governments and a stake holder Central Ministries / Departments. While recommending MSP, CACP considers important factors like cost of production, overall demand–supply conditions, domestic and international prices, intercrop price parity, terms of trade between agricultural and non–agricultural sectors, likely effect on the rest of the economy, besides ensuring rational utilization of land, water and other production resources and a minimum of 50 percent as the margin over cost of production .

On 24th June, 2024 Government has notified MSP of 14 Kharif Crops and MSP of Paddy, Soyabean and Cotton have been fixed at a price 50 percent more than cost of production . Details of cost of production and MSP for Paddy, Soyabean and Cotton for 2024–25 are given in table below .

Cost of Production and Minimum Support Prices (According to crop year)

(₹ per quintal)

Commodity	Variety	Cost of production for KMS 2024-25	MSP for 2024-25	Percentage (%) increase in MSP in 2024-25 over Cost of production
PADDY	Common	1533	2300	50
	Grade 'A'	-	2320	
SOYABEEN (yellow)		3261	4892	50
COTTON	Medium Staple	4747	7121	50
	Long Staple	-	7521	

Note: KMS- Kharif Marketing Season
