

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

LOK SABHA
UNSTARRED QUESTION NO. 2674
TO BE ANSWERED ON THE 05TH AUGUST, 2025

LEGAL STATUS OF MSP

2674. SHRI BABU SINGH KUSHWAHA:

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

- (a) whether the Government is aware of the farmers' demand to grant legal status to the Minimum Support Price (MSP);
- (b) if so, the steps taken by the Government so far in this regard;
- (c) if not, whether the Government proposes to bring any legislation after having dialogue with the farmers in this regard; and
- (d) whether the Government is formulating any action plan to implement the recommendations of the Swaminathan Commission, if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

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

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSPs at levels of one and half times of the cost of production. Accordingly, Government had increased MSPs for all mandated Kharif, Rabi and other Commercial crops with a minimum return of 50 percent over all India weighted average cost of production from year 2018-19 onwards which benefitted farmers of whole country.

Increased MSP has benefited farmers which are evident from data of procurement and MSP amount paid to the farmers. The details of procurement and MSP amount paid to farmers during last five years including current year are given at **Annexure**.

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 also include (i) Suggestions on practicality to give more autonomy to Commission for Agricultural Costs and Prices (CACP) and measures to make it more scientific, and (ii) 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. The meetings of this committee are being organized regularly and till date, 6 meetings have been held. Additionally, 39 meetings of various sub-committees have also been held.

(d): On the recommendations of the Swaminathan Commission, an Inter- Ministerial Committee (IMC) was constituted in the year 2007, which recommended 201 Action Points to be implemented by the Government. All 201 Action Points have been implemented.

Annexure

Annexure referred to in reply to part (a) to (c) of Lok Sabha Untarred Question No. 2674 due for reply on 05.08.2025

Procurement & MSP value of MSP Crops

All MSP Crops	2020-21	2021-22	2022-23	2023-24	2024-25*
Total Procurement (In LMT)	1,368	1,083	1,118	1,089	1,175
Total MSP Value (In lakh Crore)	2.91	2.25	2.47	2.63	3.33

*As on 30.06.2025
