

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

LOK SABHA
STARRED QUESTION NO. 149
TO BE ANSWERED ON THE 10TH FEBRUARY, 2026

LEGAL GUARANTEE FOR MSP

*149. SHRI HANUMAN BENIWAL:

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

(a) whether the Government reviews the procurement at Minimum Support Price (MSP) in various States, particularly in Rajasthan;

(b) if so, the details thereof and the lacunae identified during the last three years and the corrective measures taken thereon;

(c) whether the Government proposes to enact a law to provide a legal guarantee for procurement at MSP, if so, the time by which it is likely to be enacted and if not, the reasons therefor;

(d) whether the Government has constituted a committee to bring MSP under a legal framework; and

(e) if so, the details of the meetings held so far by the said committee, along with the suggestions and recommendations made by the committee regarding the legal status of MSP?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण मंत्री (SHRI SHIVRAJ SINGH CHOUHAN)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO 149* DUE FOR ANSWER ON 10TH FEBRUARY, 2026 REGARDING 'LEGAL GUARANTEE FOR MSP'

(a) & (b): Every year, Government fixes Minimum Support Prices (MSPs) for 22 mandated agricultural crops for the country as a whole, 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 at least 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 has benefitted farmers across the country.

To realize the objectives of MSP Policy, after announcement of MSP, Government procures cereals and coarse cereals through Food Corporation of India (FCI) and other designated State Agencies to provide price support to the farmers. Procurement of pulses, oilseeds and copra is done under Price Support Scheme under Umbrella Scheme of Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA), in consultation with the concerned State Government as and when market price of these produce fall below the MSP. Procurement agencies under PM-AASHA Scheme are National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) and National Co-operative Consumers' Federation of India Ltd. (NCCF). Cotton and Jute are also procured by Government at MSP through Cotton Corporation of India (CCI) and Jute Corporation of India (JCI), respectively.

Increased MSP has benefitted farmers of the country including farmers of Rajasthan, which is evident from details of all India procurement and MSP amount paid to farmers during last three years, given below:

Procurement & MSP value of MSP Crops

All MSP Crops	2022-23	2023-24	2024-25
Total Procurement (in lakh metric tonnes)	1,118	1,089	1,223
Total MSP Value (in lakh crore)	2.47	2.63	3.47

To encourage domestic production & ensure remunerative prices to farmers, procurement of Tur, Urad and Masur from the pre-registered farmers is undertaken as much as offered by them through the Central Nodal Agencies under Mission for Aatmanirbharta in Pulses till 2030-31.

From 2024-25 season, Government added another component under Market intervention scheme for reimbursing the Storage and Transportation cost of TOP crops (Tomato, Onion and Potato) to central nodal agencies & state designated agencies for transporting them from the producing state to consuming states in the interest of the farmers.

(c) to (e): To make Minimum Support Prices (MSPs) more effective and transparent, a Committee has been constituted by the Government on 12th July 2022. The subject matter of this 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.
