

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

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. - 805**  
TO BE ANSWERED ON 09/02/2024

**MSP OF OILSEEDS AND PULSES**

805. SMT. PRIYANKA CHATURVEDI:

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

- (a) the steps taken by Government to close the Minimum Support Price (MSP)-market price gap and ensure fair returns for oilseeds and pulses farmers who receive low MSP compared to rice and wheat;
- (b) in what manner Government is rationalizing import duties on oilseeds and pulses to make these crops more competitive domestically and protect farmer livelihoods from rising edible oil and pulse imports; and
- (c) whether Government is exploring the implementation of a more flexible and regionally adjusted MSP system for oilseeds and pulses?

**ANSWER**

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI ARJUN MUNDA)

(a): The Government fixes Minimum Support Prices (MSP) for 22 mandated agricultural crops including oilseeds and pulses 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. The objective of MSP is to ensure remunerative prices to the growers for their produce with a view to encouraging higher investment and production.

While recommending MSP, CACP considers important factors like cost of production, overall demand-supply situation, price trends in domestic and global market, inter-crop price parity, terms of trade between agriculture and non-agriculture sectors, likely impact of price policy on the rest of the economy, rational utilization of production resources and a minimum of 50 per cent as the margin over the weighted average cost of Production. The similar methodology applied for oilseeds and pulses as that of rice and wheat, and the factors like inter-crop price parity in the MSP calculation, ensures fair returns to the oilseeds and pulses growing farmers also.

While recommending MSP, CACP also takes into account the price situation in the domestic and international market. However, the market prices of oilseeds and pulses are influenced by various factors viz; domestic production, stock available from past seasons, demand from consumers, international prices, agro-climatic conditions etc. In case the market prices of oilseeds and pulses fall below MSP, government nodal agencies carry out the purchase operations through Price Support Scheme (PSS) at MSP to ensure fair returns to the farmers.

(b): The import duties on pulses and oilseeds are rationalized considering the demand-supply gap in domestic market and price trend while ensuring remunerative price to the domestic farmers.

(c): Oilseeds and Pulses are procured from registered farmers under Price Support Scheme under Umbrella Scheme of Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA), as per its prescribed guidelines at MSP in consultation with the concerned State Government. Under PM-AASHA, States / UTs are given flexibility in implementation of MSP system either Price Support Scheme (PSS) or Price Deficiency Payment Scheme (PDPS) in a given procurement season with respect to particular oilseeds crop for the entire State. Further, States have the option to roll out Private Procurement and Stockiest Scheme (PPSS) on pilot basis for MSP notified oilseeds crops in district / selected APMC(s) of district involving the participation of private agencies.

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