

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

RAJYA SABHA
STARRED QUESTION NO.136
TO BE ANSWERED ON 12/12/2025

AVAILABILITY OF MINIMUM SUPPORT PRICE (MSP) TO FARMERS

***136. SHRI SANT BALBIR SINGH**

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

- (a) despite the country's overall development, farmers do not receive their rightful Minimum Support Price (MSP) for their crops, the underlying reasons for the same;
- (b) the manner in which Government plans to address the gap between the MSP announced and the actual price received by farmers in the market; and
- (c) steps taken by Government to ensure that farmers receive the MSP for all their crops, and by when the Government aims to ensure MSP coverage for all crops across the country?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI SHIVRAJ SINGH CHOUHAN)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF RAJYA SABHA
STARRED QUESTION NO. 136 DUE FOR ANSWER ON 12/12/2025 REGARDING
'AVAILABILITY OF MINIMUM SUPPORT PRICE (MSP) TO FARMERS'**

(a) to (c): 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 the year 2018-19 onwards.

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 AaySanrakshan 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.

Government offers to procure agricultural crops through designated procurement agencies and farmers have the option to sell their produce to the government agencies or in the open market whichever is advantageous to them.

Increased MSP has benefited farmers of the country which are evident from data of procurement and MSP amount paid to the farmers. The details of procurement and MSP amount paid to farmers from the year 2014-15 to 2025-26 (upto October, 2025) are given as under:

Procurement	MSP Value
117 crore 32 lakh metric tonne	24 lakh 49 thousand crore rupees

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.

To provide remunerative price to the farmers, Government implements Market Intervention Scheme (MIS), a component under PM-AASHA, for procurement of agricultural and horticultural commodities, which are perishable in nature and are not covered under the Price Support Scheme (PSS). The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and the cost of production. There should be at least a 10 percent decrease in the ruling market prices over the previous normal year. The scheme is implemented at the request of a State/UT government.

Government has introduced a new component of Price Differential Payment (PDP) under Market intervention scheme (MIS) from 2024-25 season for direct payment of the price difference between the Market Intervention Price (MIP) and the selling price to the farmers of perishable crops. States/UTs have an option to choose either to do physical procurement of the crop or to make the differential payment between the MIP & Sale Price to the farmers.

Further, 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.

Moreover, during the 2024-25 season, approval was given to the states of Madhya Pradesh, Odisha, Chhattisgarh and Andhra Pradesh for transportation of tomatoes by NCCF and NAFED.
