

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2270
TO BE ANSWERED ON 19/12/2025

LEGAL GUARANTEE FOR MINIMUM SUPPORT PRICE (MSP)

2270. SHRI I.S. INBADURAI

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

- (a) whether Government has considered providing a legal guarantee for the Minimum Support Price (MSP) for all crops, as recommended by the parliamentary panel in December 2024 and suggested in the Minimum Support Price Guarantee Bill, 2022; if so, the details thereof;
- (b) if not, whether such legal guarantee is being considered, the details thereof;
- (c) the steps being taken to ensure that farmers continue to receive fair and remunerative prices for their produce under the current MSP system; and
- (d) any roadmap or timeline proposed by Government to address the concerns of farmers regarding MSP and financial security?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
(SHRI RAM NATH THAKUR)

(a) to (d): Every year, Government fixes Minimum Support Prices (MSPs) for 22 mandated agricultural crops 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.

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.

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 reduce financial stress of farmers various direct cash benefit, crop insurance and subsidy/ grant-based schemes are operational in this department, which includes PM Kisan, PMFBY, Krishonnati Yojna, RKVY etc. Government is also implementing a 100% centrally funded Central Sector Scheme known as the Modified Interest Subvention Scheme (MISS) across various States and UTs pan India. This scheme aims to provide concessional interest rates on short-term agricultural loans obtained by farmers through Kisan Credit Cards (KCC) for their working capital requirements. Financial benefits provided to farmers in recent years are given below.

Name of the Scheme	Financial benefits
Interest subvention / Prompt repayment Incentive (PRI) under Modified Interest Subvention Scheme on KCC Loan	Rs 1.77 lakh Cr (Since 2014-15 to till date)
DBT under PM Kisan	Rs. 4.09 lakh Cr (Since 2019 in 21 instalments)
Insurance Claim under PMFBY	Rs. 1.90 lakh Cr (since 2016 to till 30.10.2025)
