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

RAJYA SABHA
UNSTARRED QUESTION NO. 1610
TO BE ANSWERED ON 13/02/2026

INCREASE IN MSP FOR PADDY

1610. SHRI SUBHASISH KHUNTIA:

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

(a) whether Government has reviewed the recent Minimum Support Price (MSP) hikes for paddy and the nature and extent of market fluctuations in Odisha;

(b) whether reports have emerged of paddy selling below MSP in districts like Puri, if so, the reasons therefor;

(c) the steps being taken to strengthen procurement for small and marginal farmers;

(d) the key challenges faced in paddy procurement in districts like Puri;

(e) whether effectiveness of machine-based certification for transparent procurement has been assessed; and

(f) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

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

While recommending MSPs, CACP considers important factors like cost of production, overall demand-supply conditions, domestic and international prices, inter-crop price parity, terms of trade between agricultural and non-agricultural sectors, the likely effect on the rest of the economy, besides ensuring rational utilization of land, water and other production resources.

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.

(b): As informed by Government of Odisha, no instance of sale of paddy below MSP in Puri has been reported. The procurement of Paddy in State of Odisha including Puri during last 5 years is given below:

(In Lakh Metric Tonne)

2020-21	2021-22	2022-23	2023-24	2024-25
77	71	79	71	86

(c): 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.

Every farmer, including small and marginal farmers can register on the State Food Procurement Portal and can sell agriculture produce on MSP. The small and marginal farmers are given priority during issue of token. One Nation, One MSP through Direct Benefit Transfer (DBT) has been implemented across the country payment of MSP is made directly to farmers bank account, preferably within 48 hours of purchase of crops.

(d): As reported by the state, the geographical barrier of Chilka Lake in Krushnaprasad block in Puri district is a challenge in procurement of paddy.

(e) & (f): The AI based Smart Grain Analysers and Mobile Paddy cleaners have been deployed in large mandis by the State Government Agencies and have also been placed at Market Committees for use in other mandis as and when required.

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