

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

RAJYA SABHA
UNSTARRED QUESTION NO. 3207
TO BE ANSWERED ON 20/03/2026

PROCUREMENT OF CROPS AT MSP

3207. DR. SANDEEP KUMAR PATHAK:

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

- (a) whether Government is considering providing a legal guarantee of Minimum Support Price (MSP) on all notified crops;
- (b) the percentage of farmers in the country at present whose crops are actually purchased at MSP, the details thereof, State-wise; and
- (c) the concrete steps taken by Government to strengthen and make the procurement system transparent in those States where Government procurement is minimal, the details thereof ?

ANSWER

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

(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 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.

The Government constituted a Committee in July,2022 consisting of representatives of farmers including National Award-Winning Farmer, representative of Farmers' Cooperative/Group, representative of Central Government & adequate representation of State Governments, eminent Agriculture Economists & Scientists,etc. with the mandate to make Minimum Support Price (MSP) more effective and transparent; to promote natural farming; to

change crop pattern keeping in mind the changing needs of the country. Since its inception, the committee has been holding regular meetings to deliberate on these key issues and develop actionable recommendations. As on date, 6 main-committee meetings and 40 sub-committee meetings have been held till date.

Out of the total production, only marketable surplus is available for procurement by Government agencies when market price of these produce fall below the MSP. To realize the objective of MSP Policy, 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), on the request of the concerned State Government as per the guidelines. 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 which is evident from details of farmers benefitted during last three crop years given as under:

All MSP Crops	2022-23	2023-24	2024-25
Benefited Farmers (in crore)	1.68	1.52	1.84

(c): 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.

Total MSP procurement from Eastern States and North Eastern States has increased during 2014-26 (upto February 2026) as compared to 2004-14 which is evident from procurement data (In LMT) given below:

	Eastern States	North Eastern States
2004-14	739.88	11.13
2014-26 (upto February 2026)	1492.71	38.77
