

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

LOK SABHA
STARRED QUESTION NO. 24
TO BE ANSWERED ON 22ND JULY, 2025

MINIMUM SUPPORT PRICE FOR KHARIF CROPS

***24. SMT. D.K. ARUNA:**
SHRI EATALA RAJENDER:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

(a) whether the Minimum Support Price (MSP) for Kharif crops has been increased to cover all the input costs as the MSP has become the maximum suffering for the producers, if so, the details thereof;

(b) the details of studies done/action taken till now in this regard, crop-wise;

(c) whether the Government is crediting itself for declaring a higher MSP for crops, but the MSP is far lower than the "cost (C2) plus 50 per cent" formula recommended by the Swaminathan Commission, if so, the details thereof; and

(d) the corrective steps being taken through agriculture reforms to cover all the crops and products through MSP so as to benefit every farmer in the country, State/UT-wise including Telangana, West Bengal, Andhra Pradesh and Assam?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण मंत्री (SHRI SHIVRAJ SINGH CHOUHAN)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA STARRED QUESTION NO. 24 DUE FOR ANSWER ON 22ND JULY, 2025 REGARDING 'MINIMUM SUPPORT PRICE for KHARIF CROPS'.

(a) & (b): Every year, Government fixes Minimum Support Price (MSP) for 22 mandated agricultural crops including 14 Kharif crops, 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 MSP, 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 and a minimum of 50 percent as the margin over cost of production. The costs include all paid out costs incurred in cash and kind and imputed value of family labour.

Increased MSP has benefited farmers which are evident from data of procurement and MSP amount paid to the farmers. The details of procurement and MSP amount paid to farmers during last five years including current year are given at **Annexure- I**.

The NITI Aayog (erstwhile Planning Commission) has conducted a study entitled "Efficacy of minimum support prices on farmers", in 2016. The study has found, among other things, that MSP declared by the Government has encouraged 78% of the farmers covered under the study for adopting improved methods of farming such as high yielding varieties of seeds, organic manure, chemical fertilizer, pesticides and improved methods of harvesting etc.

(c) & (d): 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 year 2018-19 onwards which benefitted farmers of whole country including Telangana, West Bengal, Andhra Pradesh and Assam. The cost of production and MSP announced of 22 mandated crops for marketing season 2025-26 is given at **Annexure-II**.

For benefits of farmers, Government has taken several other initiatives which include following:

- (i) After budget announcement in 2018-19, Government had fixed MSP of 22 mandated crops at a level of at least one and half times of the cost of production.
- (ii) Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
- (iii) Pradhan Mantri Fasal Bima Yojana (PMFBY)/Restructured Weather Based Crop Insurance Scheme (RWBCIS)
- (iv) Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)
- (v) Agriculture Infrastructure Fund (AIF)
- (vi) Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)
- (vii) Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)
- (viii) Modified Interest Subvention Scheme (MISS)
- (ix) National Bee Keeping and Honey Mission (NBHM)
- (x) Agri Fund for Start-Ups & Rural Enterprises' (AgriSURE)
- (xi) National Mission on Natural Farming
- (xii) Krishonnati Yojana
- (xiii) Rashtriya Krishi Vikas Yojana (RKVY)

STATEMENT REFERRED TO IN REPLY TO PART (b) OF LOK SABHA STARRED QUESTION NO. 24* DUE FOR ANSWER ON 22.07.2025 REGARDING 'MINIMUM SUPPORT PRICE for KHARIF CROPS'

Procurement & MSP value of MSP Crops

All MSP Crops	2020-21	2021-22	2022-23	2023-24	2024-25*
Total Procurement (In LMT)	1,368	1,083	1,118	1,089	1,175
Total MSP Value (In lakh Crore)	2.91	2.25	2.47	2.63	3.33

*As on 30.06.2025

STATEMENT REFERRED TO IN REPLY TO PART (c) to (d) OF LOK SABHA STARRED QUESTION NO. 24* DUE FOR ANSWER ON 22.07.2025 REGARDING 'MINIMUM SUPPORT PRICE for KHARIF CROPS'

<u>Cost, MSP and return of mandated Crops (Marketing Season wise)</u>				
Sl. No.	Commodity	KMS-2025-26		
		Cost	MSP	Return (%)
1	PADDY(Common)	1579	2369	50
	(Grade A) ^		2389	
2	JOWAR (Hybrid)	2466	3699	50
	(Maldandi) ^		3749	
3	BAJRA	1703	2775	63
4	RAGI	3257	4886	50
5	MAIZE	1508	2400	59
6	ARHAR(Tur)	5038	8000	59
7	MOONG	5845	8768	50
8	URAD	5114	7800	53
9	COTTON (Medium Staple)	5140	7710	50
	(Long Staple) ^		8110	
10	GROUNDNUT	4842	7263	50
11	SUNFLOWER SEED	5147	7721	50
12	SOYABEAN	3552	5328	50
13	SESAMUM	6564	9846	50
14	NIGERSEED	6358	9537	50
	<u>RABI CROPS</u>	RMS-2025-26		
15	WHEAT	1182	2425	105
16	BARLEY	1239	1980	60
17	GRAM	3527	5650	60
18	MASUR (LENTIL)	3537	6700	89
19	RAPESEED/MUSTARD	3011	5950	98
20	SAFFLOWER	3960	5940	50
	<u>OTHER CROPS</u>			
		2025		
21	COPRA (Milling)	7721	11582	50
	(Ball)^		12100	
		2025-26		
22	JUTE	3387	5650	67

^Cost data are not available for Paddy (Grade A), Jower (Maldandi), Cotton (Long staple) and Copra (Ball).
