

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

LOK SABHA
STARRED QUESTION NO. 26
TO BE ANSWERED ON 22ND JULY, 2025

SALE OF CROPS AT LOWER PRICES

***26. SHRI SATPAL BRAHAMCHARI:**
SHRI CHANDRA PRAKASH CHOUDHARY:

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

(a) whether the Government is aware that the farmers are being forced to sell their crops at prices lower than the cost price in various parts of the country including Haryana, Jharkhand and Jammu and Kashmir thereby affecting their income adversely;

(b) whether all the farmers are getting proper benefits under the Minimum Support Price (MSP) scheme, if so, the details thereof and if not, the reasons therefor particularly in Jharkhand;

(c) whether the Government is taking any special initiatives in the areas of crop insurance, marketing facility, storage and organic farming under the scheme of doubling the farmers' income; and

(d) if so, the details thereof?

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. 26 DUE FOR ANSWER ON 22ND JULY, 2025 REGARDING 'SALE OF CROPS AT LOWER PRICES'.

(a) & (b): Every year, Government fixes Minimum Support Price (MSP) for 22 mandated agricultural crops for the country as a whole based on the recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of 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 year 2018-19 onwards.

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 whole country including farmers of Jharkhand 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 as under:

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

(c) & (d): For the benefit of farmers, Government has taken several initiatives which include Pradhan Mantri Fasal Bima Yojana (PMFBY)/Restructured Weather Based Crop Insurance Scheme (RWBCIS), Agriculture Infrastructure Fund (AIF), Marketing Infrastructure and Paramparagat Krishi Vikas Yojana (PKVY) to encourage organic farming. Details of these are given below:

- **Pradhan Mantri Fasal Bima Yojana and weather based Restructured weather Based Crop Insurance Scheme (WBCIS)** – Government has introduced yield based Pradhan Mantri Fasal Bima Yojana (PMFBY) and Weather Index Based Restructured

Weather Based Crop Insurance Scheme (RWBCIS) from Kharif 2016 to provide financial support to farmers suffering crop loss/damage arising out of natural calamities, adverse weather incidence and to stabilize the income of farmers etc. Comprehensive risk insurance is provided under the scheme from pre-sowing to post-harvest losses.

- **Agriculture Infrastructure Fund (AIF):** A dedicated financing facility with a corpus of ₹1 lakh crore launched to support the creation of post-harvest management infrastructure including warehouses, cold storages, sorting/grading units, and primary processing centers.
- **Agricultural Marketing Infrastructure (AMI)** sub-scheme under Integrated Scheme for Agricultural Marketing (ISAM): Supports the development of rural godowns and storage facilities, enhancing farmers' ability to store produce and sell at better prices.
- **Formation and Promotion of 10,000 FPOs scheme:** FPOs are being supported with market linkages through digital platforms like National Agriculture Market (e-NAM), open network for digital commerce (ONDC), Government e Marketplace (GeM), and physical infrastructure to act as aggregators, reducing distress sale and improving bargaining power.
- **e-NAM Integration:** The National Agriculture Market (e-NAM) platform connects APMCs across states, providing farmers access to wider markets and better price realization.
- **Paramparagat Krishi Vikas Yojana (PKVY)-** Government is promoting organic farming in the country through the scheme of Paramparagat Krishi Vikas Yojana (PKVY), a component of Pradhan Mantri- Rashtriya Krishi Vikas Yojana (PM-RKVY) including the State of Punjab. The PKVY scheme provides end-to-end support to organic farmers i.e. from production to processing, certification and marketing in a cluster based approach. The primary focus of the scheme is to form organic clusters in a cluster where preference is given to small and marginal farmers.
