

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

LOK SABHA
UNSTARRED QUESTION NO. 4289
TO BE ANSWERED ON 19TH AUGUST, 2025

MSP ACCORDING TO COST OF PRODUCTION

4289. PROF. SOUGATA RAY:

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

- (a) whether the government has followed any criteria to fix the MSP of various agriculture products according to cost of production;
- (b) if so, the details thereof;
- (c) the details of Minimum Support Price announced for various agriculture products since the last three years;
- (d) the details of steps taken by the government to ensure the declared MSP to farmers across the country;
- (e) whether the agricultural income and costs differ significantly across regions due to various factors; and
- (f) if so, the reasons thereof and steps taken to ensure uniform income to farmers across the country?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (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.

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.

Government, in its Union Budget for 2018-19, had made an announcement to keep MSP at a level of minimum one and half times of the cost of production as a pre-determined principle. Accordingly, MSPs for all mandated Kharif, Rabi and other commercial crops have been fixed with a margin of at least 50 percent over weighted average cost of production.

(c): The details of Minimum Support Price announced for 22 mandated agriculture crops since the last three years are given at **Annexure**.

(d): 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

(e) & (f): The agricultural cost of production include all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses incurred in cash and kind on the use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc., miscellaneous expenses and imputed value of family labour.

Agriculture is a State subject and Government of India supports the efforts of States through appropriate policy measures, budgetary allocation and various schemes/programmes. The Government has substantially enhanced the budget allocation of Department of Agriculture & Farmers Welfare (DA&FW) from Rs. 21933.50 crore BE during 2013-14 to Rs. 1,37,756.55 crore BE during 2025-26. Major schemes/programmes initiated by DA&FW to increase the income of farmers including small and marginal farmers and for the development of agriculture Sector in India are as under:

- i. Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
- ii. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)
- iii. Pradhan Mantri Fasal Bima Yojana (PMFBY)/ Restructured Weather Based Crop Insurance Scheme (RWBCIS)
- iv. Modified Interest Subvention Scheme (MISS)
- v. Agriculture Infrastructure Fund (AIF)
- vi. Formation and Promotion of 10,000 new Farmer Producers Organizations (FPOs)
- vii. National Bee Keeping and Honey Mission (NBHM)
- viii. Namo Drone Didi
- ix. National Mission on Natural Farming (NMNF)
- x. Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA)
- xi. Agri Fund for Start-Ups & Rural Enterprises' (AgriSURE)
- xii. Per Drop More Crop (PDMC)
- xiii. Sub-Mission on Agriculture Mechanization (SMAM)
- xiv. Paramparagat Krishi Vikas Yojana (PKVY)
- xv. Soil Health & Fertility (SH&F)
- xvi. Rainfed Area Development (RAD)
- xvii. Agroforestry
- xviii. Crop Diversification Programme (CDP)
- xix. Sub-Mission on Agriculture Extension (SMAE)
- xx. Sub-Mission on Seed and Planting Material (SMSP)
- xxi. National Food Security and Nutrition Mission (NFSNM)
- xxii. Integrated Scheme for Agriculture Marketing (ISAM)
- xxiii. Mission for Integrated Development of Horticulture (MIDH)
- xxiv. National Mission on Edible Oils (NMEO)-Oil Palm
- xxv. National Mission on Edible Oils (NMEO)-Oilseeds
- xxvi. Mission Organic Value Chain Development for North Eastern Region
- xxvii. Digital Agriculture Mission
- xxviii. National Bamboo Mission

Annexure

Annexure referred to in reply to part (c) of Lok Sabha Un-Starred Question No.4289
due for reply on 19.08.2025

Minimum Support Price of crops

(Marketing Season-wise)

(₹/quintal)

Sr. No.	Commodities	KMS 2023-24	KMS 2024-25	KMS 2025-26
	<u>KHARIF CROPS</u>			
1	Paddy (Common)	2183	2300	2369
	Paddy (Grade 'A')	2203	2320	2389
2	Jowar (Hybrid)	3180	3371	3699
	Jowar (Maldandi)	3225	3421	3749
3	Bajra	2500	2625	2775
4	Ragi	3846	4290	4886
5	Maize	2090	2225	2400
6	Arhar	7000	7550	8000
7	Moong	8558	8682	8768
8	Urad	6950	7400	7800
9	Cotton (Medium Staple)	6620	7121	7710
	Cotton (Long Staple)	7020	7521	8110
10	Groundnut	6377	6783	7263
11	Sunflower Seed	6760	7280	7721
12	Soyabean Yellow	4600	4892	5328
13	Sesamum	8635	9267	9846
14	Nigerseed	7734	8717	9537
	<u>RABI CROPS</u>	RMS 2023-24	RMS 2024-25	RMS 2025-26
15	Wheat	2125	2275	2425
16	Barley	1735	1850	1980
17	Gram	5335	5440	5650
18	Masur	6000	6425	6700
19	Rapeseed & mustard	5450	5650	5950
20	Safflower	5650	5800	5940
	<u>COMMERCIAL CROPS</u>			
		2023-24	2024-25	2025-26
21	Jute	5050	5335	5650
		2023	2024	2025
22	Copra (milling)	10860	11160	11582
	Copra (ball)	11750	12000	12100

Note: KMS: Kharif Marketing Season, RMS: Rabi Marketing Season
