

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

LOK SABHA
STARRED QUESTION NO. 29
TO BE ANSWERED ON 2ND DECEMBER, 2025

SELLING OF CROPS BELOW MSP

*29. SHRI AZAD KIRTI JHA:

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

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

(b) whether all farmers are getting adequate benefits under the Minimum Support Price (MSP) scheme;

(c) if not, the reasons behind the extension of benefits of MSP to limited number of farmers only; and

(d) whether the Government is taking any special initiatives in areas like crop insurance, marketing facilities, storage and organic farming under the scheme to double the income of farmers and 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. 29 DUE FOR ANSWER ON 2ND DECEMBER,2025 REGARDING ‘SELLING OF CROPS BELOW MSP’.

(a) to (c): Every year, Government fixes Minimum Support Price (MSP) for 22 mandated agricultural crops 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 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.

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 the country 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 2024-25 (Crop year) are given as under:

Total Procurement (In LMT)	Total MSP Value (In Lakh Crore)
1,223	3.47

(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), Marketing Scheme, Agriculture Infrastructure Fund and Paramparagat Krishi Vikas Yojana (PKVY) to encourage organic farming. Details of these are given below:

(i) Pradhan Mantri Fasal Bima Yojana and weather based Restructured weather Based Crop Insurance Scheme (WBCIS) – Government has introduced Pradhan Mantri Fasal Bima Yojana (PMFBY) and weather index based Restructured Weather Based Crop Insurance Scheme (WBCIS) 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. This scheme is voluntary for States and farmers as well. Achievement of the scheme during 2024-25 are given below:

(In Rs. crores)

Total Farmers application Insured (lakh)	Area Insured (lakh ha)	Sum Insured	Farmers Share in Premium	Paid Claims
1,514	622	2,80,629	3,335	12,256

(ii) **Agriculture Infrastructure Fund (AIF):** The Agriculture Infrastructure Fund is a medium - long term debt financing facility for investment in viable projects for post-harvest management infrastructure and community farming assets through interest subvention and credit guarantee support. The Fund of Rs. 1 lakh crore under the scheme will be disbursed from FY 2020-21 to FY 2025-26 and the support under the scheme will be provided for the duration of FY2020-21 to FY 2032-33.

Since inception of the scheme till 25th November 2025, Rs. 76,980 Crores have been sanctioned for 1,39,837 projects under AIF across the country. These sanctioned projects have mobilized an investment of Rs.1,22,731 Crores in agriculture sector.

(iii) **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.

Under AMI since inception and up to October 2025, a total of godowns 49,796 with a capacity of 982.94 lakh MT have been sanctioned and subsidy of Rs. 4832.70 Crore has been released. Further, 25,009 agricultural marketing infrastructure projects (other than storage) have been sanctioned and subsidy of Rs. 2193.16 Crore has been released.

(iv) **Formation and Promotion of 10,000 FPOs scheme:** To enhance the cost-effective productivity and provide the better marketing and credit linkages, government in February, 2020 launched a central sector scheme of formation and promotion of 10,000 FPOs to leverage their collectivization, specially of small and marginal farmers, in the form of FPO. Target of formation of 10,000 FPOs has already been achieved and government is now focusing on economic sustainability of these FPOs so as to improve the farmers/members' net income.

(v) **e-NAM Integration:** government has launched e-National Agriculture Market (e-NAM), as a virtual e-trading platform and since its launch in April, 2016, 1522 APMC markets from 23 states and 4 UTs have been onboarded. Around 1.80 crore farmers and 4642 FPOs are registered with the portal to realize a competitively best discovered price in transparent manner.

(vi) Paramparagat Krishi Vikas Yojana (PKVY)- Organic farming is being promoted through Paramparagat Krishi Vikas Yojana (PKVY) in all the States/UTs except North Eastern States and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER) for the North Eastern States since 2015-16. Both schemes stress on end-to-end support to farmers engaged in organic farming i.e. from production to processing, certification and marketing. Primary focus of the schemes is to form organic clusters, with preference to small and marginal farmers, to create a supply chain. Both the schemes are implemented through States /UT Governments. Under PKVY, assistance of Rs. 31,500 per ha in 3 years is provided for promotion of organic farming. Out of this, assistance of Rs. 15,000 per ha is provided to farmers through Direct Benefit Transfer for on- farm /off –farm organic inputs. Under MOVCDNER, assistance of Rs. 46,500/ha in 3 years is provided for creation of Farmers Producer Organization, support to farmers for organic inputs etc. Out of this, assistance @ Rs. 32500/ ha is provided to farmers for off -farm /on –farm organic inputs under the scheme including Rs. 15,000 as Direct Benefit Transfer to the farmers.
