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

LOK SABHA
UNSTARRED QUESTION NO. 2602
TO BE ANSWERED ON THE 04th August, 2026

MSP FOR ALL CROPS

2602.SHRI K C VENUGOPAL:

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

(a) the details of measures taken by the Government to provide remunerative price to farmersfor their produce during last five years;

(b) whether the Government is aware of the fact that measures and policies adopted by Government have failed and it has compelled lakhs of farmers to leave their profession and seek job as labourer in cities;

(c) if so, the reasons therefor; and

(d) whether the Government would legalize Minimum Support Price (MSP) for all crops during current Monsoon session and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्यमंत्री (SHRI RAMNATH THAKUR)

(a) to (d): 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 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 margin of 50 percent over all India weighted average cost of production from year 2018-19 onwards.

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. 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 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.

In addition, Adequate number of procurement centres are opened by respective State Government Agencies, taking into account the production, marketable surplus, convenience of farmers and availability of other logistics / infrastructure such as storage and transportation etc. Temporary purchase centres, in addition to the existing mandis and depots/godowns are also established at key points. The procurement operation is a continuously evolving process and during the last few years, procurement processes under MSP have improved to ensure payment of MSP to farmer’s bank account directly and linkage of Aadhaar and land records with the States’ procurement portals ensure that the farmers directly get the benefits of the MSP purchase.

Government has launched Mission for Aatmanirbharta in Pulses till 2030-31, to reduce import dependence and achieve self-sufficiency in pulses. To encourage domestic production of pulses, the Government is undertaking procurement of Tur, Urad and Masur under the PM-AASHA Scheme on the request of State Government from pre-registered farmers as much as offered by them through Central Nodal Agencies, namely the National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and the National Cooperative Consumers' Federation of India Limited (NCCF).

Government also implements Market Intervention Scheme (MIS), a component under PM-AASHA, for procurement of agricultural and horticultural commodities, which are perishable in nature and are not covered under the Price Support Scheme (PSS). The objective of intervention is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and the cost of production. There should be at least a 10 percent decrease in the ruling market prices over the previous normal year. The scheme is implemented at the request of a State/UT government.

Government has introduced a new component of Price Differential Payment (PDP) under Market intervention scheme (MIS) from 2024-25 season for direct payment of the price difference between the Market Intervention Price (MIP) and the selling price to the farmers of perishable crops. States/UTs have an option to choose either to do physical procurement of the crop or to make the differential payment between the MIP & Sale Price to the farmers.

Further, from 2024-25 season, Government added another component under Market intervention scheme (MIS) for reimbursing the Storage and Transportation cost of TOP crops (Tomato, Onion and Potato) to central nodal agencies & State designated agencies for transporting them from the producing State to consuming states in the interest of the farmers.

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 2021-22 to 2025-26 (upto June, 2026) are given as under:

Procurement and MSP amount paid to farmers during last five years

2021-22 to 2025-26	
Total Procurement (In LMT)	Total MSP Value (In lakh Crore)
5781	14.58

The total procurement of all 22 MSP crops has increased from 6,987 Lakh Metric Tonne (LMT) during 2004-14 to 12,819 LMT during 2014-26(upto June 2026). The MSP amount paid to farmers has increased from Rs. 7.41 Lakh Crores during 2004-14 to Rs. 27.80 Lakh crores during 2014-26 (upto June 2026).

The Government is implementing several policies, reforms, developmental programmes to increase agricultural productivity, reduce the cost of cultivation, promote crop diversification, ensure remunerative returns and provide income support to farmers. These various schemes / programmes cover the entire spectrum of agriculture including credit, insurance,income support, infrastructure, crops including horticulture, seeds, mechanization,marketing, organic and natural farming, farmer collectives, irrigation, extension activities,procurement of crops, digital agriculture etc.

****