

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

UNSTARRED QUESTION NO. 2714

TO BE ANSWERED ON THE 04th August, 2026

IMPACT OF MSP

2714.SHRI RAHUL KASWAN:

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

(a) whether the Government has conducted any evaluation of the impact of the Minimum Support Price (MSP) declared during the last three years on farmers' income, agricultural production, crop diversification and profitability, if so, the major findings thereof;

(b) the details of the Minimum Support Price declared for major crops, actual Government procurement, number of farmers benefited and the procured yield compared to total production, State-wise and crop-wise;

(c) whether the Government has identified such States and crops where Government procurement remained limited despite the declaration of the Minimum Support Price, forcing farmers to sell their produce at lower prices, if so, the details thereof; and

(d) the steps being taken by the Government to make the Minimum Support Price mechanism more effective and comprehensive?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
 कृषि एवं किसान कल्याण राज्यमंत्री (SHRI RAM NATH 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 return 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).

Increased MSP has benefited farmers of the country which are evident from data of procurement and MSP amount paid to the farmers. The year wise details of total food grains produced, crops procured, MSP amount paid to farmers and farmers benefitted during 2023-24 to 2025-26 (upto June, 2026) for all the States are given as under:

Year wise Procurement and MSP amount paid to farmers during 2023-24 to 2025-26 (upto June, 2026)

Year	Production of food grains(In LMT)	Total Procurement (In LMT)	Total MSP Value (In lakh Crore)	Farmers benefitted (in Lakh)
2023-24	3323	1089	2.63	152.35
2024-25	3577	1214	3.45	196.35
2025-26*	3766	1276	3.77	220.81

*As per third Advance Estimate, 2025-26

The crop-wise procurement of MSP crops during last three years are at **Annexure**.

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.

The Government is also implementing the Crop Diversification Programme (CDP), which is a centrally sponsored scheme under the Pradhan Mantri- Rashtriya Krishi VikasYojana (PM-RKVY) in the Original Green Revolution States viz; Haryana, Punjab & Uttar Pradesh since 2013-14 to divert the area of water guzzling paddy crop to alternative crops like pulses, oilseeds, coarse cereals, nutri cereals, etc. The primary objective of the scheme is to demonstrate and promote improved production technologies of alternate crops for diversion of paddy cultivation as well as to restore soil fertility through cultivation of leguminous crops

Crop-Wise Procurement of MSP Crops during last three Years

(figures in LMT)

All MSP Crops	2023-24	2024-25	2025-26
Paddy	782.20	822.80	825.57
Wheat	266.05	300.35	357.57
Other Cereals	12.55	11.01	13.93
Pulses	6.94	18.40	31.24
Oilseeds	13.07	43.16	29.75
Commercial (Jute, Copra, Cotton)	8.24	18.41	17.86
Total	1089.05	1214.12	1275.93

that generate heavy biomass and consume lesser nutrients.

The Government of India is further encouraging crop diversification among farmers through the state governments to grow crops such as coarse cereals, nutri cereals (Shree Anna) under the National Food Security & Nutrition Mission (NFSNM), pulses under Mission for Aatmanirbharata on Pulses, oilseeds under the National Mission on Edible Oil (NMEO)-Oilseeds and horticultural crops under the Mission for Integrated Development of Horticulture (MIDH).

Annexure

**Annexure referred to in reply to part (a) to (d) of Lok Sabha Unstarred Question
No. 2714 due for reply on 04.08.2026**