

Peanut Blog

An ounce of information



48 lakh farmers benefited from Rs 65,570 crore MSP push in 10 years

Gandhinagar : The Gujarat govt has released a decade-long account of Minimum Support Price procurement, stating that between 2015-16 and 2025-26, 1.1 crore metric tonnes (MT) of agricultural produce worth Rs 65,570 crore were procured at MSP from more than 48.98 lakh farmers across the state.

Groundnut and cotton dominate the figures. Over the 10-year period, 52.5 lakh metric tons of groundnut were procured, with farmers receiving Rs 31,941 crore. Cotton procurement stood at 25.2 lakh MT, yielding Rs 17,759 crore, with the govt stepping in to maintain support prices even during periods of declining global cotton rates.

Gram and tur also recorded significant procurement. Gram, a major rabi crop, saw 16.8 lakh MT procured for Rs 9,549 crore. Tur, grown widely in central and south Gujarat, contributed 5 lakh MT worth Rs 3,222 crore. Mustard, soybean, urad, and moong procurement has additionally benefited smaller and marginal farmers, though crop-specific figures for these were not detailed.

The sharpest indicator of the scheme's expansion is the year-on-year comparison. In 2016-17, procurement worth Rs 1,775 crore was made from 2.01 lakh farmers. By 2025-26, more than 14 lakh farmers sold 32.5 lakh MT of produce worth Rs 23,800 crore under MSP — a 7-fold increase in farmer participation and a 13-fold increase in procurement value.

MSP rates themselves have risen considerably over the period. Paddy MSP increased by 61%, wheat by 59%, bajra by 108%, hybrid jowar by 127%, groundnut by 102%, and cotton by up to 99%. The central govt now announces MSP before the sowing season, allowing farmers to plan cropping patterns accordingly. Rates are determined by the commission for agricultural costs and prices, which factors in seeds, fertilisers, electricity, diesel, and labour costs, with the stated aim of ensuring approximately 50% profit over the cost of production.

On the administrative side, direct benefit transfer (DBT) has replaced older payment channels, crediting MSP amounts directly to farmer bank accounts and reducing middlemen. Online registration and SMS-based systems have cut queuing at procurement centres. The state govt has framed these figures as evidence of farmer welfare during the 12 years of Prime Minister Narendra Modi's tenure, though the procurement data itself covers the 10-year period from 2015-16 to 2025-26.

Source: <https://timesofindia.indiatimes.com/city/ahmedabad/48-lakh-farmers-benefited-from-rs-65570-crore-msp-push-in-10-years-gujarat-government/articleshow/131711153.cms>