



## Gujarat: MSP procurement crosses Rs 65,000 crore in decade, benefiting nearly 49 lakh farmers

**Gandhinagar, June 19 (IANS)** Government procurement of agricultural produce at Minimum Support Price (MSP) in Gujarat has crossed Rs 65,000 crore over the past decade, with nearly 49 lakh farmers benefiting from the scheme, according to official figures released on Friday.

The data shows that 1.05 crore metric tonnes of produce were procured from farmers across the state during the period, reflecting a significant expansion of MSP operations and a sharp rise in both farmer participation and the value of procurement. The figures come amid continued efforts by the Centre and the state government to strengthen procurement mechanisms and ensure farmers receive assured prices for their crops.

Under the MSP policy, the government purchases produce at pre-announced rates to protect farmers from market fluctuations and distress sales. According to the official data, more than 48.98 lakh farmers benefited from MSP procurement over the last ten years, while the total value of procurement reached Rs 65,570 crore.

Groundnut accounted for the largest share of procurement in Gujarat's agricultural sector. Over the decade, the government procured 52.48 lakh metric tonnes of groundnut and paid farmers Rs 31,941 crore. Cotton farmers were the second-largest beneficiaries, with 25.23 lakh metric tonnes procured for Rs 17,759 crore, including during periods when international cotton prices weakened.

Procurement of gram, a major rabi crop, reached 16.81 lakh metric tonnes, generating payments of Rs 9,549 crore to farmers. Tur procurement stood at 4.97 lakh metric tonnes, with farmers receiving Rs 3,222 crore. Farmers cultivating mustard, soybean, urad and moong also benefited from procurement operations during the period.

The scale of procurement has increased substantially over the decade. In 2016-17, procurement worth Rs 1,775 crore was carried out from 2.01 lakh farmers. By 2025-26, more than 14 lakh farmers had sold 32.54 lakh metric tonnes of produce through MSP operations, with procurement valued at Rs 23,800 crore. Official figures indicate that the number of farmers participating in the scheme has increased sevenfold over the period, while the value of procurement has risen thirteenfold.

The government said MSP is now announced before the sowing season to help farmers make cropping decisions. Prices are determined by the Commission for Agricultural Costs and Prices (CACP) after assessing input costs including seeds, fertilisers, electricity, diesel and labour. The government maintains that MSP levels are fixed to provide farmers with a margin of around 50 per cent above production costs. Authorities also highlighted the growing use of technology in procurement operations.

Payments are transferred directly into farmers' bank accounts through the Direct Benefit Transfer (DBT) system, while online registration and SMS-based communication have streamlined the procurement process and reduced dependence on intermediaries. Over the past decade, MSP rates have increased across several crops. Official figures show MSPs for paddy have risen by 61 per cent, wheat by 59 per cent, bajra by 108 per cent, hybrid jowar by 127 per cent, groundnut by 102 per cent, and cotton by 99 per cent.

According to the government, the combination of MSP procurement and direct payment systems has strengthened farmers' income security and expanded participation in formal agricultural marketing channels across Gujarat.

**Source:** <https://english.punjabkesari.com/india/gujarat-msp-procurement-crosses-rs-65000-crore-in-decade-benefiting-nearly-49-lakh-farmers/>