

Minimum Support Prices (MSP) for 2026-27

The **Minimum Support Price (MSP)** is a guaranteed floor price set by the Government of India for specific agricultural products. It guarantees a minimum income, protecting farmers from distress sales during bumper production. The CACP recommends MSPs for 22 mandated crops annually, including wheat and paddy. Recently the Government of India has increased MSP for Rabi crops to ensure at least a 50% margin over the cost of production, but it **has not yet officially announced** the nationwide Minimum Support Prices (MSP) for the **Kharif Marketing Season (KMS) 2026-27**. National Kharif MSPs are typically finalized and announced by the Union Cabinet in **June**.

How it works?

For the 2026-27 marketing season, the Minimum Support Price (MSP) for crops in India is calculated using the **A2+FL formula**, ensuring a minimum return of **50% over the cost of production**.

Minimum Support Price (MSP) Calculation Formula

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The Core Calculation Formula

The government uses the following specific cost components to arrive at the final MSP:

- **A2 (Paid-out Costs):** Includes all actual expenses incurred by the farmer in cash and kind.
 - Cost of seeds, fertilizers, and pesticides.
 - Hired human, bullock, or machine labour.
 - Irrigation charges and fuel/electricity for pump sets.
 - Rent paid for leased-in land.
- **FL (Family Labour):** The imputed value of unpaid family labour.
- **Final MSP Calculation:** $MSP = (A2 + FL) \times 1.5$.

Mandated Crops (22 Crops + Sugarcane)

Category	Crops Included
Cereals (7)	Paddy, Wheat, Maize, Sorghum (Jowar), Pearl Millet (Bajra), Barley, and Ragi
Pulses (5)	Gram (Chana), Arhar/Tur, Moong, Urad, and Lentil (Masur)
Oilseeds (7)	Groundnut, Rapeseed-Mustard, Soybean, Sunflower, Sesamum, Safflower, and Nigerseed
Commercial (4)	Raw Cotton, Raw Jute, Copra, and Sugarcane (covered under FRP)

Note: For sugarcane, the government declares a Fair and Remunerative Price (FRP), which is legally binding for sugar mills to pay.

Latest MSP Rates (per quintal)

• Rabi Marketing Season (RMS) 2026–27:

- **Wheat:** ₹2,585 (₹160 increase)
- **Barley:** ₹2,150 (₹170 increase)
- **Gram:** ₹5,875 (₹225 increase)
- **Lentil (Masur):** ₹7,000 (₹300 increase)
- **Rapeseed & Mustard:** ₹6,200 (₹250 increase)
- **Safflower:** ₹6,540 (₹600 increase)

• Kharif Marketing Season (KMS) 2025–26:

- **Paddy (Common):** ₹2,369
- **Paddy (Grade A):** ₹2,389
- **Maize:** ₹2,400
- **Tur (Arhar):** ₹8,000
- **Moong:** ₹8,768

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