

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

RAJYA SABHA
UNSTARRED QUESTION NO.1950
TO BE ANSWERED ON 18TH MARCH, 2025

PROCUREMENT FROM FARMERS

1950 DR. K. LAXMAN:

Will the Minister of Consumer Affairs, Food and Public Distribution be pleased to state:

- (a) the manner in which Government has supported farmers through procurement operations, particularly in ensuring MSP and options to sell produce to FCI or in the open market;
- (b) the quantities of wheat and paddy procured during Rabi Marketing Season (RMS) 2024-25 and Kharif Marketing Season (KMS) 2023-24, and the number of farmers being benefited from these procurement operations;
- (c) the key achievements in coarse grain/millet procurement during KMS 2023-24, and its comparison with previous years; and
- (d) the estimated procurement for coarse grains/millet in KMS 2024-25, and the role of States/UTs in this process?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): The Government's policy of procurement of food grains has broad objectives of ensuring Minimum Support Price (MSP) to the farmers and availability of food grains to the weaker sections at affordable prices. It also ensures effective market intervention thereby keeping the prices under check and also adding to the overall food security of the country. The Government supports farmers through procurement operations in the following manner:

(i) FCI, the nodal central agency of Government of India, along with other State Agencies undertakes procurement of wheat and paddy under MSP operation. Coarse grains/millet in central pool are procured by State Government Agencies only under decentralized procurement system.

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(ii) Before the harvest during each Rabi/ Kharif Crop season, Government of India announces the Minimum Support Prices (MSP) for procurement on the basis of the recommendations of the Commission of Agricultural Costs and Prices (CACP) which along with other factors, takes into consideration the cost of various agricultural inputs and the reasonable margin for the farmers for their produce.

(iii) To facilitate procurement of food grains, FCI and various State Agencies in consultation with the State Government establish a large number of purchase centers at various mandis and key points. The number of centers and their locations are decided by the State Governments, based on various parameters, so as to maximize the MSP operations. Such extensive & effective price support operations have resulted in sustaining the income of farmers over a period and in providing the required impetus for higher investment in agriculture sector for improved productivity.

(iv) Stocks conforming to the Government of India specifications which are offered by the farmers at Purchase centers are procured by the Government Agencies at MSP. If the farmers get prices better than the support price in open market, they are free to sell their produce. Presence of Government Agencies ensures prevention of distress sale of food grains by the farmers.

(v) Procurement of food grains under MSP operations is mandatorily being carried out through State Procurement Portals which has brought in substantial transparency in the process with introduction of registration of farmers for sale of their produce at govt. procuring centers/ mandis, land/crop verification and online payment of MSP directly into the farmer's bank account.

(vi) The State Procurement Portals have been integrated with Central Procurement Food Grains Portal (CFPP) to have repository of information on almost real time basis for better monitoring, review and decision making.

(vii) "One Nation, One MSP through DBT" implemented across the country from RMS 2021-22 onwards. Payment of MSP has been ensured directly into farmers' account. DBT of MSP has brought in responsibility, transparency & real time monitoring in the system.

(viii) In order to widen the reach of MSP operations for food grains, Government of India has made a provision for engagement of Co-operative societies/ Self Help Groups/ Panchayats/ Primary Agriculture Credit Societies (PACS)/Farmers Producer Organisations (FPOs) by the State procuring agencies so that maximum farmers, can avail the benefit of Price support operations.

(b): During RMS 2024-25, 266.05 LMT of wheat was procured benefiting 22.49 Lakhs farmers and during KMS 2023-24, 782.25 LMT of paddy was procured benefiting 106.58 lakhs farmers.

(c): The total coarsegrain procurement carried out during KMS 2023-24 is 12,55,073 MT which is 170% as compared to 7,37,069 MT coarsergrains procured during KMS 2022-23. This is the highest coarsegrains procurement in last 10 years.

(d): The coarsegrain procurement Estimates for KMS 2024-25 (Kharif crop) is 16.83 LMT.

Procurement of coarse grains is regulated by guidelines for allocation, distribution, and disposal of coarse grains (Jowar, Bajra, Maize & Ragi etc.) and 6 minor millets procured by the States. Under these guidelines, States are allowed to procure these commodities in Decentralized Procurement mode from farmers at Minimum Support Price (MSP) for distribution under Targeted Public Distribution System (TPDS)/Other Welfare Schemes(OWS).
