

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS' WELFARE  
DEPARTMENT OF AGRICULTURE AND FARMERS' WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 367**  
TO BE ANSWERED ON THE 4<sup>TH</sup> FEBRUARY, 2025

**SALE OF PADDY IN BACKWARD DISTRICTS**

367. SMT. MALVIKA DEVI:

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

- (a) the steps being taken against Millers who try to manipulate poor farmers and control the sale of paddy in backward districts;
- (b) the steps being taken to make sure that farmers who have good quality paddy, do not have to face any loss because of the millers and lose 5-7 kgs; and
- (c) the steps being taken to ensure that the farmers get their insurance for the paddy loss due to untimely rain?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): Government of India has discontinued levy system of procurement of rice with effect from Kharif Marketing Season (KMS) 2015-16. In levy system, paddy was procured by the millers and payment of Minimum Support Price (MSP) was also made by them. Based on the certificate (by designated State authority) regarding payment of MSP by millers to the farmers, a certain percentage of resultant rice used to be delivered to the Government.

At present, entire procurement of paddy from the farmers is done directly by the State Agencies/ Food Corporation of India (FCI). State agencies are allowed to engage cooperative societies, self help groups, Primary Agricultural Credit Societies (PACS) etc. for procurement of paddy. In Punjab and Haryana, paddy is procured through arthias. But payment of MSP in both the above cases is to be released directly to the farmer's bank account through online transfer of amount by the concerned Government agencies. The State Government is not supposed to outsource procurement of paddy to millers in any direct or indirect manner.

Government of India has also promoted and encouraged Decentralised procurement of Food Grains by the State Government and their agencies to widen penetration of MSP operations to every nook & corner of the country. The expenditure incurred on various incidentals by the State Government /its agencies is reimbursed by the Government of India (GoI).

Minimum Support Price (MSP) operations are given wide publicity through pamphlets, banners and other print and electronic media. Procurement of Paddy under MSP operations is being mandatorily carried out through State Procurement Portals which has brought substantial transparency in the process with introduction of registration of farmers for sale of their produce at Government Procurement Centers/ mandis, online land verification and online payment of MSP directly into the farmer's bank account. 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.

(c): In case of any natural calamities like untimely rain, relaxations in the uniform specifications of affected food grains are provided for smooth procurement so as to prevent distress sale/rejection of food grains.

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