

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

LOK SABHA
UNSTARRED QUESTION NO. 369
TO BE ANSWERED ON THE 4TH FEBRUARY, 2025

COMPLAINTS REGARDING PURCHASE OF ONIONS BY NAFED

369. Dr. BACHHAV SHOBHA DINESH:

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

- (a) whether the Government has taken cognizance of the complaints raised by the farmers and Maharashtra State Onion Growers Association against NAFED for purchasing onions through intermediaries at inflated rates bypassing direct deals with the farmers and if so, the details thereof;
- (b) whether the Government has instituted an enquiry to review into the issue, if so, the details thereof including findings of the investigation and if not, the reasons therefor;
- (c) whether the Government has initiated any punitive action against those responsible for the cause and if so, the details thereof; and
- (d) whether the Government has taken any remedial measures in this regard and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): The Government had taken cognizance of the alleged complaints relating to procurement of onion under Price Stabilisation Fund (PSF) administered by Department of Consumer Affairs (DoCA) through Marketing Federation of India Limited (NAFED) raised by the farmers and Maharashtra State Onion Growers association against NAFED for purchasing onions through intermediaries. The Government constituted a Committee of officers at appropriate level from the Ministry of Agriculture and Farmers' Welfare to ascertain the fact about the procurement carried out by NAFED in Nashik. Besides, a government nominee appointed by the Government on the Board of NAFED had also visited Nasik. Both the teams submitted their independent reports to the Government.

Both the Teams submitted their independent factual report and some key observations are summarised as follows:

4000 onion farmers registered in the procurement portal of supply valid (agency of DoCA) under PSF during Rabi 2024 season out of which only 3300 farmers has sold the onions to the NAFED. The payment to the registered farmers was being made directly into their bank accounts, although some technical issues were observed. There was lack of awareness in the publicity regarding government procurement of onion and prevailing procurement prices. Offloading of procurement of onion under PSF in the months of Oct-Nov led to drop in onion price. The procurement process such as registration on e-Peek Pahaani portal of State Govt. and therefore the processes need to be simplified in the interest of farmers. Farmer Producing Organisations (FPOs)/FPCs have played a constructive role in the development of this procurement ecosystem and invested heavily in creating farmgate infrastructure. This has also led to creation of ancillary employment in the area besides strengthening the FPO movement in the district, in line with Government's policies in this regard. Significant improvements have been made by NAFED over time, including improvement in recovery rate from 45% to 63% and reduction of storage losses from 25% to 15%. DOCA has appointed an independent agency for ensuring quality and quantity of the stock.

(c & d): As per the guideline of the Price Stabilisation Fund (PSF) Scheme of DoCA, the procurement of Rabi-24 Onion was to be preferably done from farmers/(FPOs)/(FPCs)/Primary Agricultural Cooperative Societies (PACS). The Committee has not pointed out any corrupt involvement of officers in the procurement of onion by the NAFED from farmers. However, the Government has taken some remedial measures to further strengthen the procurement system for the wider outreach of procurement operations for onion under PSF as follows:

- (i) The farmers are registering themselves on the Portals of NAFED, National Cooperative Consumers' Federation of India Limited (NCCF) and State's Portal through Aadhar Based registration for selling their produce at government procurement centres.
- (ii) The Procurement portals also provide farmers with the latest/updated information regarding MSP declared, nearest purchase center, date/period of procurement, allotment of slots/time to farmers against their booking for sale of produce etc. These enable the farmer to deliver stock as per his convenience in the nearest procurement centre.
- (iii) The land /crop records of the farmers are verified from the State land records online for those farmers who have registered for selling their produce. SMS and Whatsapp messages are sent to the farmers to make them aware about the procurement to be undertaken by various agencies of the Government. Agmarknet Portal is in place for daily purchase rates of commodities to make the farmers aware about the current market selling price of the produce.
- (iv) Further, the central Nodal Agencies like NAFED and NCCF undertaking procurement through the state level agencies ensure the release of DBT payment to farmers directly in their Aadhar linked bank accounts as given at the time of registration. Since the payment of MSP is being transferred into the farmer's bank account through RTGS or NEFT, the bank account of an individual farmer cannot be utilised to make payments of other farmers.