

Procurement of wheat in Madhya Pradesh

2308. SHRI VIVEK K. TANKHA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Central Government has allowed the Food Corporation of India (FCI) to purchase only 67.25 lakh metric tonnes of wheat from the State of Madhya Pradesh, whereas in the last financial year FCI had purchased the entire wheat close to 73 lakh metric tonnes; and

(b) if so, the reasons for less procurement in current financial year from the State of Madhya Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI DANVE RAOSAHEB DADARAO): (a) and (b) During Rabi Marketing Season (RMS) 2018-19, the procurement was done by Food Corporation of India (FCI) without taking into account the distorting effect of bonus/incentive on the market as the existence of Protsahan Rashi was not intimated to the Government of India by the State Government. During RMS 2019-20 declaration of Protsahan Rashi of ₹ 160 per quintal by the State Government is covered within the ambit of the Clause-1 of the MOU signed between State Government of Madhya Pradesh and Government of India, which indicates that if State Government allows any bonus over and above MSP (including central bonus, if any), the excess procurement over and above the total allocation made under NFSA/TPDS/OWS for the state, will be treated outside the Central Pool. Government of India decided “as a special case”, to accept a quantity of 67.25 LMT, including PDS requirement of the state in Central Pool.

Procurement of crops from farmers

2309. DR. ASHOK BAJPAI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government is aware that benefit of Minimum Support Price (MSP) is received only if farmers' produce is procured by Government;

(b) whether Government has any plan to procure all crops of farmers for which MSP is declared;

(c) if so, the details of the procurement targets for each crop for which MSP is declared; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI DANVE RAOSAHEB DADARAO): (a) and (b) Under the existing policy, wheat and paddy offered by farmers within the stipulated period and conforming to the specifications prescribed in advance by Government of India (GOI), are purchased at Minimum Support Price (MSP) by the Government Agencies including Food Corporation of India (FCI) for Central Pool. Coarsegrains are procured by State Governments as per the procurement plan prepared in consultation with FCI and approved by the Central Government. However, if any producer/farmer gets better price in comparison to MSP, he is free to sell his produce in open market.

Further, in order to ensure remunerative prices to farmers for their produce, the Government of India has launched an umbrella scheme 'Pradhan Mantri Annadata Aay Sanraks Han Abhiyan' (PM-AASHA). Under PM-AASHA, the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), Ministry of Agriculture and Farmers Welfare implements the Price Support Scheme (PSS) for procurement of pulses, oilseeds and copra. For oilseeds, DAC&FW also implements the Price Deficiency Payment Scheme (PDPS).

(c) and (d) The procurement target is fixed for procurement of Rice and Wheat only. The procurement targets of Rice and Wheat for Central Pool during last three years and current year is as under:—

(Figure in LMT)

Rice		Wheat	
KMS	Procurement Target	RMS	Procurement Target
2015-16	350.00	2016-17	305.00
2016-17	380.00	2017-18	330.00
2017-18	430.00	2018-19	320.00
2018-19	448.04	2019-20	357.00

Under Price Support Scheme (PSS), the overall quantity of procurement of pulses by Government of India is restricted to 25% of the actual production of the commodity for that particular season. In case State/UT Government intends to procure over 25% of production, the State Government may do so at their own cost and through its own agencies. If the State Government intends to procure quantities beyond 25% and upto 40% of production through Central Agencies, then the State Government will use the same for their PDS and other Welfare Schemes, at their own cost.