

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

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 569  
TO BE ANSWERED ON 23<sup>RD</sup> JULY, 2021

**PROCUREMENT OF FOODGRAINS AT MSP**

569 SHRI RAJMANI PATEL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether Government has developed any procurement policy to ensure that farmers would get enhanced Minimum Support Price (MSP) on their surplus agricultural produces;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether Government has taken or proposes to take action against the wholesale traders who do not purchase Kharif crops at the MSP;
- (e) if so, the details thereof;
- (f) whether Government would procure surplus agricultural produces directly from farmers in case wholesaler do not purchase the said produces on MSP;
- (g) if so, the details thereof; and
- (h) if not, the reasons therefor?

**A N S W E R**  
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND CONSUMER  
AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SADHVI NIRANJAN JYOTI)

(a) to (h): The procurement policy of Government of India (GOI) is open ended, under which paddy and wheat offered by farmers within the stipulated period, conforming to specifications prescribed in advance by Government of India are purchased for Central Pool at Minimum Support Price (MSP) by Food Corporation of India/ State Governments/ State Government Agencies, to help farmers get remunerative price and prevent distress sale. However, if any producer/ farmers get better price in comparison to MSP, he/she is free to sell his/her produce in open market.

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Coarsegrains are procured at MSP by State Governments as per the procurement plan prepared in consultation with FCI and approved by the Central Government, subject to its distribution by the State Government under National Food Security Act (NFSA)/ Other Welfare Schemes (OWS).

Procurement in a State depends upon multiple factors like Production, Marketable Surplus, MSP, Prevailing Market Rate, Demand & Supply situation and participation of Private Traders etc.

Further, in order to provide remunerative price to the farmers, Department of Agriculture, Cooperation and Farmers Welfare, Government of India implements umbrella Scheme of Pradhan Mantri Annadata Aay Sanrakshana Abhiyan' (PM-AASHA), comprising of Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement and Stockist Scheme (PPSS). Under PM-AASHA, States/UTs are offered to choose either PSS or PDPS in a given procurement season with respect to particular oilseeds crop for the entire State. The pulses and copra are procured under PSS. Only one scheme i.e. PSS or PDPS will be made operational in one State with respect to one commodity. Further, States have the option to roll out Private Procurement and Stockist Scheme (PPSS) on pilot basis in district/ selected APMC(s) of district involving the participation of private stockiest for oilseeds.

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