

Centre aims to tone up procurement limit

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With the Centre announcing a substantial hike in the minimum support price (MSP) for kharif crops and knowing that the Food Corporation of India (FCI) alone can't lift the entire produce, Prime Minister Narendra Modi has asked the NITI Aayog to evolve a procurement mechanism with the help of states to ensure that the season's produce is lifted at new rates.

Noting that the government is aware of the reality that only hiking the MSP would not do the intended good to the farmers as procurement mechanism and capacity is "very limited", a senior NITI Aayog official said, "We have been asked to evolve a robust pan-India set up ahead of the harvest season so that the farmers benefit the most from the new price initiative."

For the purpose, the NITI Aayog has been asked to rope in states and discuss with them the ways to enhance their procurement capacity. "We will soon call a meeting of the officials of states' procurement nodal agencies and

INSTRUCTIONS TO NITI

- The PM has asked the NITI Aayog to evolve a procurement mechanism with the help of states to ensure that the season's produce is lifted at new rates
- It has also been asked to rope in states and discuss with them the ways to enhance their procurement capacity
- The PMO has also asked the Aayog to 'evaluate the cost of bridging gaps and submit a report'

discuss the gaps in procuring kharif crops," the official said. The Prime Minister's Office has also asked the Aayog to "evaluate the cost of bridging gaps and submit a report".

"If the responsibility is left only to the FCI – the Centre's nodal procurement agency – the intended benefit (to farmers across the country) cannot be reached," the official said.

On July 4, the government had hiked the MSP for 14 kharif crops, including rice, cotton, pulses and vegetable oil seeds, to 50 per cent more than the input cost determined by the Commission for Agricultural Costs and Prices.