

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

RAJYA SABHA
UNSTARRED QUESTION NO. 3848
TO BE ANSWERED ON THE 27/03/2026

IRREGULARITIES IN IMPLEMENTATION OF MSP IN ODISHA

3848. DR. SASMIT PATRA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government has received reports from Odisha regarding irregular deductions commonly referred to as “katni-chatni” and sale of paddy below the Minimum Support Price (MSP) despite MSP procurement operations;
- (b) the number of complaints received during the last five years regarding such deductions or denial of MSP to farmers, district-wise and the action taken thereon;
- (c) whether Government has assessed the functioning of procurement centres and mandis in Odisha, including instances of delayed procurement, restricted entry of farmers or inadequate infrastructure forcing distress sales; and
- (d) the corrective measures taken to ensure farmers welfare?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a): As per the information received from Department of Food and Public Distribution, the procurement of paddy at Minimum Support Price (MSP) in Odisha is undertaken by the State Government through its agencies under Decentralized Procurement (DCP) system. The Government of Odisha has received certain representations and complaints alleging irregular deductions, commonly referred to as "katni-chhatni", and instances of sale below MSP.

(b): As per the information received from Government of Odisha and Department of Food and Public Distribution, during the period from Kharif Marketing Season (KMS) 2021-22 to KMS 2025-26, 10,72,964 grievances/feedback on different aspects of procurement were received through various grievance redressal mechanisms, such as helplines and control rooms. These feedbacks and grievances have been duly examined by the concerned authorities, and appropriate action has been taken based on the findings. During this period, action was taken against 49 employees and 9 custom millers.

(c): As per the information received from Government of Odisha and Department of Food and Public Distribution, adequate number of Procurement Centres (PCs) are opened by the respective State Govt. Agencies taking into account the production, marketable surplus, availability of other logistics and convenience of the farmers in the region. The functioning of procurement centres (mandis) in Odisha is continuously monitored and reviewed by the State Government. In order to avoid congestion and to ensure orderly operations in the procurement centres, a token-based procurement system has been instituted to regulate arrivals. Adequate infrastructure facilities such as drinking water, tarpaulins, sanitation, and resting sheds have been provided at procurement centres. Infrastructure facilities of each Paddy Procurement Centre (PPC) have been uploaded in the Procurement Centres Self-Assessment Portal (PCSAP) and senior officers at the State and district levels undertake regular field visits. Besides, real-time monitoring is carried out through digital platforms including the Paddy Procurement Automation System (P-PAS). The State Government has informed that isolated instances of delay or operational challenges may arise due to the scale of operations, these are addressed promptly at the local level.

(d): As per the information received from Government of Odisha and Department of Food and Public Distribution, the State Government, has put in place a transparent, technology-enabled, and closely monitored mechanism to ensure procurement from eligible farmers at MSP. Several corrective measures have been taken to safeguard farmers' interests and ensure effective MSP operations. These include end-to-end digitization of procurement processes, direct transfer of MSP payments to farmers' Adhar linked bank accounts through DBT within a stipulated timeframe, deployment of nodal and supervising officers at mandis, installation of CCTV surveillance systems, AI enabled smart grain analysers, movable paddy cleaners at PPCs and operation of toll-free helplines for grievance redressal. Besides, priority is accorded to small and marginal farmers in issue of tokens. Regular review meetings are conducted by District Collectors and State-level authorities to ensure timely procurement and milling.
