

Prices of millets rule above MSP

Higher demand from food firms

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AN INCREASE IN private trade purchase of millets, especially bajra (pearl millet), maize and ragi (finger millet), from farmers has ensured that prices rule 15-20% above the minimum support (MSP) across key growing states including Karnataka, Rajasthan, Maharashtra and Uttar Pradesh.

Robust demand from value-added millet-based products introduced by several corporates including ITC Foods and Tata Soufull and the demand for animal feed especially poultry and starch industries have contributed to the rise in prices of these coarse cereals.

"The government's aggressive promotion of millets at sustainable and healthy crops has also boosted demand for these coarse cereals," an official said.

Against the arrivals of 1.23 million tonne (MT) of various coarse cereals in mandis of Gujarat, Haryana, Madhya Pradesh, Uttar Pradesh and Andhra Pradesh, the Food Corporation of India (FCI) and state agencies so far have purchased only 0.64 MT of millets under the MSP operations for 2023-24 kharif season. A major chunk of purchases by FCI is Bajra mostly in Uttar Pradesh,

Haryana and Gujarat.

The government was aiming to procure 1.54 MT of coarse cereals this season while only 0.73 MT and 0.62 MT of cereals were purchased by agencies in the last two years respectively.

"Earlier farmers used to resort to distress sales of Bajra due to lack of demand, but now it has reversed and farmers are getting better prices than MSP leading to lower procurement by agencies," an official said.

At present, mandi prices of maize across key mandis in Punjab, Haryana and Rajasthan

are ruling around ₹2,500/quintal -- ₹2,600/quintal against the MSP of ₹2,090/quintal for the kharif season (2023-24). Similarly, ragi mandi prices are ruling above the MSP of ₹3,846/quintal in the mandis in

Robust demand from value-added, millet-based products introduced by ITC Foods and Tata Soufull and the demand for animal feed contributed to millets' price rise

Karnataka and bajra prices are at present above MSP of ₹2,500/quintal. "Prices of key millet varieties in the market are currently on an average 15% - 20% above the MSP," Rajnikant Rai, divisional chief executive, ITC agri-business, told FE.

To boost millet production, developing post-harvest management for the farmers and develop market linkage, diversified conglomerate ITC is currently working with farmers producers organisations (FPOs) in Andhra Pradesh and Maharashtra for sourcing millets such as ragi, bajra and jowar from the farm gate.