

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION & FARMERS WELFARE

LOK SABHA
STARRED QUESTION NO. 342
TO BE ANSWERED ON THE 20TH MARCH, 2018

MINIMUM SUPPORT PRICE

*342. SHRI ASHWINI KUMAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण
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be pleased to state:

- (a) whether the Government is aware that some middlemen purchase the agricultural produce from small farmers at lower rates and sell the same to the Government agencies to get the minimum support price;
- (b) if so, the details thereof; and
- (c) the steps taken by the Government to help both the registered and unregistered farmers in this regard?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण ½â"ãè (SHRI RADHA MOHAN SINGH)

(a) to (c): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA
STARRED QUESTION NO. 342 DUE FOR REPLY ON 20TH MARCH, 2018.**

(a) to (c): Under the procurement mechanism in the country, as per the prescribed guidelines, Central Government agencies procure Oilseeds, Pulses and Cotton of Fair Average Quality (FAQ) at Minimum Support Price (MSP) from through the concerned State Government agencies as and when market price of these produce fall below the MSP. Under this procurement mechanism stocks are purchased by Cooperative Societies, Farmer Producer Organizations (FPO) and Farmer Producer Companies, directly from genuine farmers having legitimate land record to eliminate possibility of middlemen taking advantage of the scheme. Further, payments are made through Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT) and account payee cheque by the procuring agencies directly into farmers accounts. Procurement of Wheat and Paddy is undertaken through Food Corporation of India (FCI) and State agencies across the country whenever food grains are offered by farmers within stipulated period and conforming to the prescribed specifications at MSP for central pool. However, in the State of Haryana and Punjab, the procurement of wheat and paddy is being undertaken through Arhatiya as per the provisions of relevant Agricultural Produce Market Committee (APMC) Act. Arhatiya is also involved in some parts of Rajasthan. State Governments of these States have been requested to do direct payment to farmers. However, if farmers get better price in comparison to MSP, they are free to sell their produce in open market. To ensure procurement from genuine farmers in most of the States, pre-registration of farmers is encouraged to rule out the possibility of involvement of middlemen as well as avoid long waiting by farmers at procurement centres.
