

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

**LOK SABHA**  
**STARRED QUESTION NO. 508**  
TO BE ANSWERED ON THE 3<sup>RD</sup> APRIL, 2018

**BUYING FARM PRODUCE**

\*508. SHRI KANWAR SINGH TANWAR:

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

- (a) whether buying farm produce directly from farmers by the Government agencies helps farmers a lot and thereby avoid middlemen and if so, the details thereof;
- (b) whether the NITI Aayog has recently recommended that the Government should buy farm produce directly from the farmers and if so, the details of the recommendations;
- (c) whether any legislation to this effect is likely to be introduced in Parliament;
- (d) if so, the details thereof; and
- (e) whether any consultations have been held with the States in this regard and if so, the details and the outcome thereof?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण ½ãâ``ããè (SHRI RADHA MOHAN SINGH)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA  
STARRED QUESTION NO. 508 DUE FOR REPLY ON 3<sup>RD</sup> APRIL, 2018.**

(a): Yes Madam, the Government procures farm produce directly from the farmers thereby avoiding the middleman. Under the procurement mechanism in the country, as per the prescribed guidelines, Government agencies procure Oilseeds, Pulses and Cotton of Fair Average Quality (FAQ) at Minimum Support Price (MSP) directly from genuine farmers having legitimate land record to eliminate possibility of middlemen taking advantage of the scheme in consultation with the concerned State Government as and when market price of these produce fall below the MSP. 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 Arhatiyas as per the provisions of relevant Agricultural Produce Market Committee (APMC) Act. Arhatiyas are 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.

(b): No Madam. There is already a mechanism under which Government procures produce directly from the farmers.

(c) & (d): Does not arise.

(e): Under the present mechanism, Government procures produce directly from the farmers in consultation with the concerned State Government.