

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

LOK SABHA
UNSTARRED QUESTION NO. 3247
TO BE ANSWERED ON THE 7TH AUGUST, 2018

PROCUREMENT ON MSP

3247. SHRI V. ELUMALAI:

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

- (a) whether it is true that there is no proposal with the Government to ensure procurement of the crops for which MSP has been announced by the Government;
- (b) if so, the reasons therefor;
- (c) whether it is also true that the farmers organisations have alleged that the policies initiated by the Government were in favour of multinational companies at the cost of domestic farmers; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a) to (d): There is already a procurement mechanism, under which, Government extends price support to paddy and wheat through the FCI and State Agencies across the country. The procurement policy is open ended. Under this policy, whatever food grains are offered by farmers, within the stipulated period & conforming to the specifications prescribed by Government are purchased at Minimum Support Price (MSP) by the State Government agencies including Food Corporation of India (FCI) for Central Pool. Further, pulses and oilseeds of Fair Average Quality (FAQ) are procured from farmers under Price Support System (PSS), as per its prescribed guidelines at MSP in consultation with the concerned State Government as and when market price of these produce fall below the MSP. The objective of procurement by Government agencies is to ensure that farmers get remunerative prices for their produce and do not have to resort to distress sale. However, if producer/farmer gets better price in comparison to MSP, they are free to sell their produce in open market.
