

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 10**  
TO BE ANSWERED ON THE 11<sup>TH</sup> DECEMBER, 2018

**MSP FOR FARMERS' PRODUCE**

10. SHRI BHEEMRAO B. PATIL:

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

- (a) whether it is a fact that the poor farmers have still not come out of the clutches of money-lenders, traders and middlemen as they continue to sell their produce at prices lower than MSP as the Government agencies make payment to the farmers against the produce sold after considerable time;
- (b) if so, whether Government agencies have formulated any plan to make payment to the farmers instantly against the produce procured; and
- (c) 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 (c): Under the present procurement mechanism, 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. The payments to the farmers are made strictly through Real Time Gross Settlement (RTGS)/National Electronic Fund Transfer (NEFT) and account payee cheque by the procuring agencies within three days of purchase of their produce. However, if farmers gets better price in comparison to MSP, they are free to sell their produce in open market.

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