

Constraints Faced by Farmers and Intermediaries to Getting Minimum Support Price (MSP) in Haryana

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ABSTRACT

The present study was conducted in Hisar grain market during 2018-19. For the study primary data was collected from thirty farmers and thirty market intermediaries about constraints faced to get Minimum Support Price. Most of the farmers were found agree with the statement like Online registration of farmers, Purchasing limit of produce, Illiteracy of farmer, Date allotment procedure for purchasing the produce and During peak season/heavy glut in arrival low market prices even below MSP. Most of the market intermediaries were found agree with the statement like Low wage rate fix by government for labour work, Problem of moisture content in produce faced by middleman, Delay in payment and Price fluctuation in agricultural commodities.

Keywords: MSP, Price fluctuation, PDS

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INTRODUCTION

Minimum Support Price (MSP) is an integral component of Agriculture Price Policy of India. It targets to ensure support price to farmers and affordable price to consumers through public distribution system (PDS) [7]. The price support system was conceptualized during pre-green revolution period as an institutional mechanism for incentivizing farmers to adapt new technologies [8, 4]. Later, Agriculture Price Commission was established in the year 1965, based on Jha committee recommendations to suggest support prices for crops after considering the cost of cultivation to account [6]. Broad objectives of the commission are to ensure remunerative prices to farmers and reasonable prices to consumers and promote sustainable use of resources towards socially desirable crop mix [7]. Price incentives in the form of support prices helped India to increase food production during green revolution period. MSP also aims at procuring food grains from food surplus states for distribution through PDS and maintaining buffer stock and thus bridge the demand supply gap [5, 3]. Price incentives in form of MSP are credited for the increase in area under rice and wheat in the green revolution states like Punjab and Haryana. Agricultural situation in India has undergone sea change after the green revolution period, but the agriculture price policy has more or less remained same [2]. Food surplus is available in many states and not just Haryana, Punjab and Andhra Pradesh; however, the procurement has largely confined to these regions [8]. MSP is viewed as a safety net to ensure price security for a long-term investment decision to farmers.

MATERIAL AND METHODS

The study is based on primary data. The data was collected from Hisar grain market of Haryana state. The period of study was 2018-19. For the study the data was collected from thirty farmers and thirty market intermediaries about constraints faced to get Minimum Support Price. A pre-tested schedule was prepared for the collection of data and descriptive statistics were used to analysis of data.

RESULT AND DISCUSSION

Constraints faced by farmers to get Minimum Support Price (MSP) by them are presents the Table 1. Most of the farmers were found agree with the statement like 'Online registration of farmers' (53.33%), 'Purchasing limit of produce' (56.67%), 'Illiteracy of farmer (60.00%), 'Date allotment procedure for purchasing the produce'(46.67%), 'During peak season/heavy glut in arrival low market prices even below MSP' (56.67%), but were found neutral for statement like 'Delay in payment' (30.00%). Again most of the farmers under survey were found strongly agree with the statements like 'Problem of moisture content in produce faced by farmers' (43.33%). Similar findings were also reported by Aditya et al. [1].

Constraints faced by market intermediaries are presents the Table 2. Most of the market intermediaries were found agree with the statement like 'Low wage rate fix by government for labour work' (60.00%), 'Problem of moisture content in produce faced by middleman' (63.33%), 'Delay in payment' (56.67%), 'Price fluctuation in agricultural commodities' (53.33%). Again most of the farmers under survey were found strongly agree with the statements like 'Direct payment in farmers bank account' (53.33%). Similar observations were also reported by Rais et al. [9].

**Table 1: Constraints faced by farmers to getting Minimum Support Price (MSP)
N=30**

S.N.	Problems / Constraints	SD (1)	D(2)	N(3)	A(4)	SA(5)	Total Weighted Score	Weighted Mean Score	Rank Order
		1	2	3	4	5			
1	Problem of moisture content in produce faced by farmers.	0 (0.00)	1 (3.33)	6 (20.00)	10 (33.33)	13 (43.33)	125	4.17	I
2	Illiteracy of farmer.	0 (0.00)	2 (6.67)	1 (3.33)	18 (60.00)	9 (30.00)	124	4.13	II
3	During peak season/heavy glut in arrival low market prices even below MSP.	0 (0.00)	1 (3.33)	3 (10.00)	17 (56.67)	9 (30.00)	124	4.13	II
4	Online registration of farmers.	0 (0.00)	1 (3.33)	4 (13.33)	16 (53.33)	9 (30)	123	4.10	III
5	Complex procedure of documentation.	0 (0.00)	2 (6.67)	4 (13.33)	14 (46.67)	10 (33.33)	122	4.07	IV
6	Purchasing limit of produce.	0 (0.00)	1 (3.33)	5 (16.67)	17 (56.67)	7 (23.33)	120	4.00	V
7	Date allotment procedure for purchasing the produce.	0 (0.00)	2 (6.67)	6 (20)	14 (46.67)	8 (26.67)	118	3.93	VI
8	Time consuming process.	2 (6.67)	1 (3.33)	5 (16.67)	13 (43.33)	9 (30.00)	116	3.87	VII
9	Lack of information / proper extension work.	4 (13.33)	2 (6.67)	3 (10.00)	11 (36.67)	10 (33.33)	111	3.70	VIII
10	Date bound procedure.	6 (20.00)	3 (10.00)	7 (23.33)	8 (26.67)	6 (20.00)	95	3.17	IX
11	Delay in payment.	7 (23.33)	8 (26.67)	9 (30.00)	4 (13.33)	2 (6.67)	76	2.53	X

Table 2: Constraints faced by market intermediaries in market [N=30]

S.N.	Problems / Constraints	SD	D	N	A	SA	Total Weighted Score	Weighted Mean Score	Rank Order
		1	2	3	4	5			
1	Direct payment in farmers bank account	0 (0.00)	0 (0.00)	0 (0.00)	14 (46.67)	16 (53.33)	136	4.53	I
2	Low wage rate fix by government for labour work.	0 (0.00)	0 (0.00)	0 (0.00)	18 (60.00)	12 (40.00)	132	4.40	II
3	Delay in payment.	0 (0.00)	0 (0.00)	6 (20.00)	17 (56.67)	7 (23.33)	121	4.03	III
4	Problem of moisture content in produce faced by middleman.	0 (0.00)	1 (3.33)	4 (13.33)	19 (63.33)	6 (20.00)	120	4.00	IV
5	Price fluctuation in agricultural commodities.	0 (0.00)	0 (0.00)	8 (26.67)	16 (53.33)	6 (20.00)	118	3.93	V
6	Storage.	4 (13.33)	8 (26.67)	6 (20.00)	8 (26.67)	4 (13.33)	90	3.00	VI

CONCLUSION

Minimum Support Prices are considered as an important pillar of Indian Agricultural price policy rolled out with an intention of providing price security to farmers. Theoretically, the support prices are to benefit farmers of most of the crops in the entire nation. In this study, we tried to analyse the constraints faced by farmers and intermediaries to get MSP of crops they grow. Most of the farmers were found agree with the statement like Online registration of farmers, Purchasing limit of produce, Illiteracy of farmer, Date allotment procedure for purchasing the produce and During peak season/heavy glut in arrival low market prices even below MSP. Most of the market intermediaries were found agree with the statement like Low wage rate fix by government for labour work, Problem of moisture content in produce faced by middleman, Delay in payment and Price fluctuation in agricultural commodities.

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