

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

LOK SABHA
UNSTARRED QUESTION NO.6178
TO BE ANSWERED ON THE 11TH APRIL, 2017

MARKETING OF FARM PRODUCE

6178. SHRI ANANDRAO ADSUL:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI RAHUL SHEWALE:
DR. SHRIKANT EKNATH SHINDE:
SHRI VINAYAK BHAURAO RAUT:
SHRI SHRIRANG APPA BARNE:
SHRI DHARMENDRA YADAV:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ₹āōŠāāÓā एवं किसान कल्याण ½āā`āāè
be pleased to state:

- (a) whether the priority of the Government is to develop and uplift farmers to achieve the target of doubling the income of farmers by 2022 and if so, the details of the plan workout and implemented to achieve the aforesaid target;
- (b) whether the marketing in farm produce is carried out through State Government designated Mandis spread across the country;
- (c) if so, the manner in which Forward Trading will help farmers to plan their crop planting and to do away with the role of middlemen;
- (d) whether the Government is leveraging the APMC Mandis and at the same time proposes to amend the marketing laws to facilitate setting up of Mandis by the private sector, if so, the details thereof; and
- (e) whether the Government has made any assessment of the success of wholesale market through e-Platform (e-NAM) and if so, the details thereof and the present status thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

₹āōŠāāÓā एवं किसान कल्याण ½āā`āāÈā¼ā ½āñā Àā•¼ā ½āā`āāè (SHRI PARSHOTTAM RUPALA)

(a): Yes, Madam. In order to achieve the target of doubling of income of farmers by the year 2022, the Department of Agriculture, Cooperation and Farmers Welfare(DAC&FW) has constituted a Committee under the Chairmanship of Additional

Secretary to examine issues relating to doubling of farmers' income by the year 2022, for the following aspects:

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- (i) To study the current income level of farmers/ agricultural labourers
- (ii) To measure the historical growth rate of the current income level
- (iii) To determine the needed growth rate to double the income of farmers/agricultural labourers by the year 2021-22
- (iv) To consider and recommend various strategies to be adopted to accomplish (iii) above
- (v) To recommend an institutional mechanism to review and monitor implementation to realise the goal
- (vi) To examine any other related issue.

The Committee has held five meetings so far to evolve a suitable strategy.

Further, agriculture is a State subject and the State Governments have primary responsibility for the promotion and development of agriculture. However, the approach of the Government of India for improving farmers' welfare rests on making farming viable by way of reducing cost of cultivation, increasing production and productivity and providing remunerative prices to the farmers for their produce. Farm viability is possible, when cost of cultivation is reduced, yields per unit of farm are increased and farmers get remunerative prices on their produce. The Department has been implementing various schemes to meet this objective, viz. Soil Health Card (SHC) scheme, Neem Coated Urea, Paramparagat Krishi Vikas Yojana (PKVY), The Pradhan Mantri Krishi Sinchai Yojana (PMKSY), National Agriculture Market scheme (e-NAM), Pradhan Mantri Fasal Bima Yojana (PMFBY).

In addition, the Government provides interest subvention of 3% on short-term crop loans up to Rs.3.00 lakh. Presently, loan is available to farmers at an interest rate of 7% per annum, which gets reduced to 4% on prompt repayment. Further, under Interest Subvention Scheme 2015-16, in order to provide relief to the farmers on occurrence of natural calamities, the interest subvention of 2% shall continue to be available to banks for the first year on the restructured amount.

The Government is also implementing several Centrally Sponsored Schemes viz. National Food Security Mission (NFSM); Mission for Integrated Development of Horticulture (MIDH); National Mission on Oilseeds & Oilpalm (NMOOP); National Mission for Sustainable Agriculture (NMSA); National Mission on Agricultural Extension & Technology (NMAET) and Rashtriya Krishi Vikas Yojana (RKVY).

MSP is notified for both Kharif & Rabi crops based on the recommendations of the Commission on Agriculture Costs & Prices (CACP). The Commission collects & analyses data on cost of cultivation and recommends Minimum Support Price (MSP).

Further the Government undertakes procurement of wheat and paddy under its 'MSP operations'. In addition, Government implements Market Intervention Scheme (MIS) for procurement of agricultural and horticultural commodities not covered under the Price Support Scheme on the request of State/UT Government. The MIS is

implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production.

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(b): Marketing of agri-produce in the country is generally done through state designated Agricultural Produce Market Committees (APMCs) or mandis. Also private mandis are operated in some states for this purpose. However, some states like Bihar, Kerala, Manipur, Andaman & Nicobar, Daman & Diu, Dadra and Nagar Haveli and Lakshadweep don't have APMC Acts implemented.

(c): Price signals and future contracts on efficient future markets can help farmers to take decisions on cropping pattern and increment intensity. Farmers would also benefit by the dissemination of future prices of exchange traded products by improving their bargaining capacity.

(d): Yes, Madam. A new model APMC Act, 2016 is at final state of formulation. This was derived after much deliberations over the earlier model APMC Act 2003 and the need for inclusion of progressive reforms required in the agriculture marketing sector.

(e): The e-NAM scheme has been designated for implementation in three phases. In the first two phases target has been met successfully by integrating 417 APMC by 31.03.2017 against the set target of 400 APMCs. The duration of third phase is from April, 2017 to March, 2018. Feedback from all stakeholders, farmers, traders and market functionaries has been very positive on the benefits accruing including remunerative prices to farmers. This is also evident from increase in registration of farmers, commission agents and traders on the portal and volume and value of online trade.
