

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

LOK SABHA
UNSTARRED QUESTION NO.3390
TO BE ANSWERED ON THE 7TH AUGUST, 2018

AGRICULTURAL MARKETING FACILITIES

3390. DR. K. GOPAL:

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

- (a) whether it is true that often the farmers of remote areas do not have sufficient access to Agricultural Produce Market Committee and their potential market is local *haats* where their produce is sold below the minimum support price;
- (b) if so, the details thereof;
- (c) whether it is also true that strong procurement operations need to be expanded to the neglected regions of the country including rural areas; and
- (d) if so, the details thereof and the necessary steps taken by the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a) to (d): Agricultural Marketing is a State subject and price of produce depends on demand and supply. There are 6630 number of Agricultural Produce Market Committee (APMC) markets in the country under respective State APMC Act, wherein farmers sell their produce. In order to improve accessibility of farmers to markets including APMC markets and to provide them with a competitive barrier free markets, Government of India has formulated a Model "The--State/UT Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017", and circulated to States/Union Territories for their adoption. The model Act provides for direct marketing, private markets, e-trading etc to promote alternate marketing channels to farmers. Government of India has also formulated Model "The-----State/UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018", and circulated it to States/Union Territories for their adoption. So far, 21 States have made provisions of contract farming following earlier release of Model Agricultural Produce Market Committee Act, 2003 (APMC Act, 2003) to States/Union Territories (UTs) for adoption. To improve the demand for farmer's produce, the Government has introduced National Agriculture Market (e-NAM), an online trading platform promoting transparent and competitive bidding even by distant buyers, for better price discovery for farmers for their produce. Already 585 mandis in 16 States and 02 UTs have been integrated with e-NAM platform.

Further, in order to improve market accessibility and to facilitate the farmers to directly sell their produce to the consumer to get better price realization for their produce, the Government has announced in Union Budget 2018-19, to develop and upgrade existing 22000 rural haats into Gramin Agricultural Markets (GrAMs). In these GrAMs, physical infrastructure will be strengthened using Government Schemes such as MGNREGA (Mahatama Gandhi National Rural Employment Guarantee Act). These GrAMs are to be exempted from regulations of Agriculture Produce Marketing Committee (APMCs) and linked to e-NAM to provide farmers with better market accessibility and facilities to sell their produce at remunerative prices.

The Central Government also extends price support to paddy and wheat through the FCI and State Agencies across the country. As per procurement policy of the Government, whatever food grains are offered by farmers within the stipulated period & conforming to the specifications, are purchased at Minimum Support Price (MSP) by the State Government agencies including Food Corporation of India (FCI) for Central Pool.

Further the different commodities of coarse grains are procured by State Governments itself, in consultation with Central Government, as per their requirement for distribution under National Food Security Act (NFSA).

In addition to above, Price Support Scheme (PSS) is implemented for procurement of oil seeds, pulses and cotton through Central Nodal Agencies at the MSP declared by the Government.

Further, Market Intervention Scheme (MIS) is implemented for procurement of agricultural and horticultural commodities which are perishable in nature and are not covered under PSS to protect the growers of these commodities from making distress sale.

The objective of procurement and market intervention by Government is to ensure that farmers and producers get remunerative prices for their produce and do not have to resort to distress sale. However, if producer/farmer gets better price elsewhere they are free to sell their produce in open market.
