

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

LOK SABHA
UNSTARRED QUESTION NO.1214
TO BE ANSWERED ON THE 9TH FEBRUARY, 2021

FARMING TRADE AGREEMENTS UNDER NEW LAWS

1214. DR. SHASHI THAROOR:

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

- (a) the number of farming trade agreements under the 'The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020' that have been negotiated and finalised since the three farming ordinances came into effect in June, 2020;
- (b) the pricing details thereof and how it compares to the Minimum Support Price and the prevailing market prices;
- (c) the amount of farming produce that is now being sold outside APMC mandis as compared to in the mandis since the ordinances came into effect; and
- (d) the price comparison thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Under "The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020" the State Governments may notify a Registration Authority to provide for electronic registry for that State that provides facilitative framework for registration of farming agreements. Further the constitution, composition and functions of the Registration Authority and the procedure for registration shall be such as may be prescribed by the State Government. Since the process of registration is not mandatory, and considering the fact that the Act has been recently enacted, the information about the number of farming agreements entered into, under the Act is not maintained centrally.

(b): Under the Act, the price to be paid for the purchase of a farming produce may be determined and mentioned in the farming agreement itself, and in case, such price is subject to variation, then such agreement shall explicitly provide for a guaranteed price to be paid for such produce and a clear price reference for any additional amount over and above the guaranteed price, including bonus or premium, to ensure best value to the farmer. Such price reference may be linked to the prevailing prices in specified APMC yard or electronic trading and transaction platform or any other suitable benchmark prices.

(c): At present, there is no mechanism to capture the trade happening outside the APMC mandis.

(d): Does not arise in view of the above
