

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

LOK SABHA
UNSTARRED QUESTION NO. 1609
TO BE ANSWERED ON THE 28TH JULY, 2026

STRENGTHENING OF AGRICULTURAL MARKETING

1609. SHRI VE VAITHILINGAM:

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

- (a) whether the Government has observed that inefficiencies in agricultural marketing systems and the presence of intermediaries continue to limit farmers' share in consumer prices;
- (b) if so, the details of reforms initiated by the Government to improve market access, enable direct sales and promote competitive pricing mechanisms for agricultural produce;
- (c) the initiatives proposed to be taken by the Government to strengthen infrastructure such as storage, logistics and processing facilities to reduce post-harvest losses and improve value realization;
- (d) whether any assessment has been carried out regarding the effectiveness of recent policy interventions in enhancing farmer income and market efficiency; and
- (e) the details of long-term strategies aimed at ensuring inclusive growth, equitable income distribution and resilience of the agricultural sector in the face of evolving economic and climatic challenges?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

- (a): Agricultural Marketing is a State subject. Government of India has been supporting states to strengthen agricultural marketing and ensure fair and remunerative prices to farmers through policy measures and schemes.
- (b): Government of India initiated National Agriculture Market (e-NAM), an all-India electronic trading (e-trading) portal by virtually integrating Physical Agricultural Produce Market Committees (APMCs). The platform provides farmers access to a larger pool of buyers through transparent online bidding, better price discovery and direct payment of sale proceeds into their bank accounts. The platform also facilitates inter-State trade by enabling buyers across the country to participate in online bidding. As on 30th June, 2026, 1.89 crore farmers and 2.78 lakh traders are registered on e-NAM. Inter-State trade on e-NAM has increased from 563 MT (₹37 lakh) in 2018-19 to 2,984.3 MT (₹14.28 crore) in 2025-26, with cumulative inter-State trade of 28,566 MT valued at ₹83.95 crore. The average number of trader bids per lot has increased from 2.1 in 2016-17 to 2.8 in 2025-26, indicating increased competition among buyers.

Under the Central Sector Scheme for Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs), 10,000 FPOs have been registered across the country. The FPOs collectivise farmers for aggregation of produce to leverage economies of scale and increase bargaining power of member farmers. Since launch of the scheme in 2020, the total cumulative turnover of FPOs has crossed Rs.20,340 crore.

(c): To strengthen post-harvest management, logistics, storage and value addition, under Agricultural Marketing Infrastructure (AMI) Scheme, 12,353 storage infrastructure projects with storage capacity of 369.18 lakh MT and 6,901 non-storage projects have been sanctioned in last ten years. Under Agriculture Infrastructure Fund (AIF) interest subvention support has been extended to 18,893 warehouses, 3,110 cold stores/cold chain projects and 2,105 integrated primary and secondary processing units. Under Mission for Integrated Development of Horticulture (MIDH) component, about 1.76 lakh infrastructure units, including pack houses, cold storages, refrigerated vans, ripening chambers, pre-cooling and processing units have been created.

Ministry of Food Processing Industries has been implementing Central Sector Umbrella Scheme-Pradhan Mantri Kisan Sampada Yojna (PMKSY) to create, inter alia, post-harvest infrastructure and processing facilities to boost the overall development of the food processing sector. As on 30th June, 2026, 1256 projects have been completed or are operational, benefitting about 37.76 lakh farmers.

World's Largest Grain Storage Programme is implemented by Ministry of Cooperation for storage infrastructure at PACS level, enabling farmers to store produce, avoid distress sales, improve access to remunerative markets and reduce dependence on intermediaries. Construction work has been completed in 313 PACS creating a storage capacity of 1.80 LMT.

(d): NITI Aayog in its evaluation report of 2020 and 2025 has recognized the Integrated Scheme for Agricultural Marketing (ISAM) as a relevant intervention for strengthening agricultural marketing through improved market infrastructure, competitive markets and better price realization for farmers. The Scheme has promoted market reforms, FPO-led aggregation, value addition and development of post-harvest infrastructure. The reports further observe that grading units and storage facilities performed better where integrated with horticulture clusters and linked with active FPOs and SHGs, improving utilization and visibility. It also noted that more than 60 per cent of beneficiaries reported using post-harvest infrastructure and crop processing facilities under ISAM. Beneficiaries recognized improvements in price realization, product longevity and market appeal through value addition. The evaluation highlighted the potential of e-NAM in promoting transparent markets, efficient price discovery, better contract negotiations and improved access to institutional finance. Overall, ISAM has contributed to strengthening agricultural marketing infrastructure and improving market efficiency.

(e): Agriculture is a State subject. Government of India supplements efforts of the States through a comprehensive range of Central Sector and Centrally Sponsored Schemes and programs aimed at increasing production, productivity, farmers' income etc. across the country. These schemes encompass entire spectrum of agriculture, including credit, insurance, income support, infrastructure, crops (including horticulture), seeds, mechanization, marketing, organic and natural farming, farmer collectives, irrigation, extension, digital agriculture and procurement of crops.