

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:58

ANSWERED ON:22.02.2011

MARKETING OF AGRICULTURAL PRODUCE

Pakirappa Shri S.;Singh Alias Pappu Singh Shri Uday

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government is planning to open up the marketing of agricultural produce/goods to corporate and big retailers;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Model Agriculture Produce Marketing Committee (APMC) Act, also has similar provisions;
- (d) if so, the details thereof;
- (e) the States which have implemented the Model APMC Act, so far;
- (f) whether the Government proposes to make amendments to the existing APMC Act;
- (g) if so, the details thereof; and
- (h) the extent to which such amendment is likely to be beneficial for the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI ARUN YADAV)

(a) to (e): Yes, Madam. In order to provide the farmers with the choice of alternative marketing channels for sale of their produce at better and remunerative price and to encourage private investment in development of market infrastructure and supply chains, Ministry of Agriculture has formulated a model Agricultural Produce Marketing (Development & Regulation) Act, 2003 and circulated it to all the States/Union Territories for its adoption in their respective Agricultural Produce Marketing Committee (APMC) Act for facilitating the market reforms.

The Model Act provides for direct marketing, contract farming and setting up of market in private and cooperative sectors. The Status of reform is placed at Annexure.

(f) to (h): The provisions of contract farming, direct marketing by corporate/ direct marketer and setting up of private and cooperative markets will facilitate better market access by farmers, reduce transportation cost and post harvest losses thus helping to increase the farmers' income. Agriculture Marketing being State subject, the Government of India is pursuing with States/ Union Territories to amend their respective APMC Act. A Committee of State Ministers in-charge of agriculture marketing has been constituted with the objective of promoting market reforms in the country and the Committee is deliberating the relating issues.