

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:4478
ANSWERED ON:30.08.2011
PRICE OF ONION
Roy Shri Arjun;Yadav Shri Dinesh Chandra

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has constituted a Committee under the Chairmanship of Kaushik Basu keeping in view the soaring prices of onions in the month of December last year;
- (b) if so, the facts in this regard and whether the Committee recommended for comprehensive changes in the present Agricultural Produce Marketing Committee Act, for successful operation of onion market;
- (c) if so, whether it has been suggested that the said changes are necessary for competition in the market;
- (d) if so, the facts in this regard; and
- (e) the steps taken by the Government so far for amendments in the said law?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

- (a): Government had set up an Inter-Ministerial Group (IMG) under the Chairmanship of Dr. Kaushik Basu, inter alia, to review the overall inflation situation with particular reference to primary food articles and suggest corrective measures.
- (b) to (d): The IMG has, inter alia, recommended to reform the Agricultural Produce Marketing Committee (APMC) Act and encourage competition among traders to promote efficiency in retailing.
- (e): Ministry of Agriculture has circulated a Model APMC Act to various State Governments for its adoption during the year 2003. In order to facilitate States to frame Rules, the Ministry has also circulated Model APMC Rules during the year 2007. The Model Act provides for alternative marketing choices to farmers in the form of contract farming, direct marketing, and private marketing and encourages private investment in market infrastructure and supply chain.