

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:212
ANSWERED ON:22.07.2014
AGRICULTURE MARKETS
Chandumajra Shri Prem Singh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether suggestions have been received from various quarters for reforms in Agriculture Markets including amendments in Agriculture Produce Marketing (Regulation) Act, 1998 especially in the context of unremunerative prices of farm produce;
- (b) if so, the details thereof and the reaction of the Government thereon;
- (c) whether any blueprint has been formulated or proposed for structural changes in the agricultural markets including setting up of farmer's market, so as to ensure fair and reasonable prices to the farmers for their produce and if so, the details thereof;
- (d) the follow up action taken thereon; and
- (e) whether promotion and development of warehousing infrastructure and producer's organisations are on the anvil, to strengthen the farm sector and if so, the details thereof?

Answer

MINISTER OF AGRICULTURE (SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 212 DUE FOR REPLY ON 22ND JULY, 2014.

(a) & (b): Yes, Madam. A Committee of State Ministers Incharge of Agriculture Marketing was constituted in 2010 to guide the implementation of agricultural marketing reforms. The Committee received suggestions from various quarters including State Governments, representatives of trade and industry, marketing experts, farmers, etc. The major recommendations of the Committee relate to, inter-alia, reforms to agriculture markets, promotion of investment in marketing infrastructure development, rationalization of market fee/commission charges, contract farming, barrier free markets, market information system, grading and standardization, etc. The Report of the Committee was circulated to all the States and Union Territories who have been requested to amend their agri market regulations on similar lines.

(c) & (d): The Model Agriculture Produce Marketing Act (APMC), 2003 provides a blueprint to the States to amend their respective agri market regulations to, inter-alia, allow for setting up of farmers' markets. These alternate avenues for sale of farmers' produce are important to bring in competition and transparency in the agri marketing system to ensure fair and reasonable prices to the farmers. Farmers' market will enable farmers to sell their produce directly to the consumers without the involvement of middlemen, thereby obtaining higher share from the price paid by the consumers.

13 States (Arunachal Pradesh, Assam, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra, Mizoram, Rajasthan, Sikkim, Tripura and Uttarakhand) have amended their respective APMC Acts so as to provide for establishment of farmers' markets.

(e): Government promotes development of warehousing infrastructure through the Grameen Bhandaran Yojana (GBY) which has since 1.4.2014 been merged with Agri Marketing Infrastructure (AMI), a sub-scheme of Integrated Scheme of Agriculture Marketing (ISAM). Rashtriya Krishi Vikas Yojana (RKVY) funds are also available to be used for development of market infrastructure. National Cooperative Development Corporation (NCDC) also assists Cooperatives in creating additional storage capacity. The Department of Food & Public Distribution also promotes construction of warehouses under its Plan Scheme for Augmentation of Storage Capacity and through Private Entrepreneurs Guarantee (PEG) scheme under which construction of warehouses including silos in PPP mode is promoted for guaranteed hiring by Food Corporation of India (FCI). Additionally, National Bank for Agriculture and Rural Development (NABARD) promotes warehousing through its own funds and through its windows of Rural Infrastructure Development Fund (RIDF) and Warehouse Infrastructure Fund (WIF).

Small Farmers Agribusiness Consortium (SFAC) has been promoting formation of Farmer Producer Organizations (FPOs) through assistance from this department's scheme of Equity Grant and Credit Guarantee Fund. Over 300 FPOs have, so far, been promoted across the country .