

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

LOK SABHA
UNSTARRED QUESTION NO. 5121
TO BE ANSWERED ON THE 27TH MARCH, 2018

AGRICULTURAL PRODUCE AND MARKET COMMITTEE

5121. PROF. SADHU SINGH:

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

- (a) whether the Agricultural Produce and Market Committee (APMC) has become a hub for cartels that rig the system to offer lower prices to farmers while driving up prices for consumers in the country;
- (b) if so, the details thereof; and
- (c) whether the revised model of contract farming will give cultivators a ready market without the oversight of APMC system and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a) & (b): Agriculture Marketing is State Subject as per Constitution of India. Agricultural Produce Market Committees (APMCs), administered under State APMC regulations, have attained monopolistic approach over period of time with dominance of multiple market functionaries and operations with conflicting interest, leading to reduced competition which results into high marketing cost and margin with less realization to the farmers for their produce.

(c): The Government is formulating a progressive, holistic and facilitative Model Contract Farming Act. Under the draft Model Act, provisions have been made inter-alia for integrating food processors with farmers with an aim to ensure better price realization to the farmers for their produce besides reducing post-harvest losses, and incentivising the private sector processors to invest in processing activities.

The draft Act is in the final stage of its drafting. Comments of various stakeholders have been solicited on the draft Model Contract Farming Act including placing it on the website inviting comments of the public.
