

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

**LOK SABHA**  
**UNSTARRED QUESTION NO.1470**  
TO BE ANSWERED ON THE 12<sup>TH</sup> FEBRUARY, 2019

**ACCESS TO APMC MANDIS**

1470. SHRI A. ARUNMOZHITHEVAN:

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

- (a) whether it is true that often farmers of remote areas do not have sufficient access to Agricultural Produce Market Committee mandis and their potential market is local haats where their produce is sold below the minimum support price;
- (b) if so, the details thereof;
- (c) whether it is also true that strong procurement operations need to be expanded to the neglected regions; and
- (d) 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 GAJENDRA SINGH SHEKHAWAT)

(a) to (d): Agricultural marketing is a state subject and organized marketing of agricultural produce is promoted through a network of 6630 regulated markets in the country established under the provisions of respective States Agricultural Produce Marketing (Regulation) Acts, popularly called Agricultural Produce Market Committee (APMC) Acts. Since, one regulated market serves on an average geographical area of 496 sqkm, therefore, small and marginal farmers of the remote areas with this small produce have been using rural haats located near to farm gate.

In Union Budget 2018-19, Government has announced development and upgradation of existing 22000 Village Haats into Gramin Agricultural Markets (GrAMs) through convergence of various schemes such as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and others. These GrAMs are to be exempted from State APMC regulations and linked to e-NAM. These GrAMs are intended to act as aggregation point for small produce and helping the farmers in getting better prices by way of sale to direct buyers and bulk consumers.

In order to provide farmers with alternative marketing channels, Government has released a new model "The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017" (APLM Act) in April 2017 for its adoption by States/Union Territories (UTs). The model APLM Act provides for setting up private markets and direct marketing facilities to farmers. Further, in order to optimize the use of scarce resources and mitigate the uncertainty in price

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and marketing, the Government has formulated and released a progressive and facilitative Model Act “The ---State/ UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018” in May, 2018 for its adoption by the states/Union Territories (UTs) which covers the entire value and supply chain from pre-production to post harvest marketing including services contract for the agricultural produce and livestock.

Giving a major boost to the pro-farmer initiatives of the Government and in keeping with its commitment and dedication for the Annadata for ensuring remunerative prices to them, the Government has approved a new Umbrella Scheme Pradhan Mantri Annadata Aay Sanrakshan Abhiyan’ (PM-AASHA). Procurement of agricultural produce is done by the designated procuring agencies, at the Minimum Support Price (MSP) under the Price Support Scheme (PSS), which is notified by the Government for certain crops. In addition, the Government also undertakes procurement of oilseeds & pulses through agencies like National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED).

Keeping in view the procurement potential and geographical spread of the State concerned, sufficient numbers of procurement centres at key points are opened by Food Corporation of India (FCI)/State Government agencies for procurement of paddy/rice and wheat at MSP for convenience of farmers.

A policy had also been framed by Government of India (GOI) for engagement of private players in paddy/rice procurement in eastern states for extending the reach of MSP operation to remote & interior areas. Accordingly, Private players were engaged by FCI in some clusters in Jharkhand, West Bengal and Uttar Pradesh during Kharif Marketing Season (KMS) 2015-16 to KMS 2017-18 i.e. for three years.

There exists a transparent & Uniform Policy for procurement by Govt. Agencies across the country. Under this policy, whatever food grains are offered by farmers within the stipulated procurement period, conforming to the specifications prescribed by Government of India, are purchased at MSP by the Govt. agencies including FCI. However, if any producer/farmer gets better price in comparison to MSP, he is free to sell his produce in Open market.

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