

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:852
ANSWERED ON:08.12.2003
MIDDLEMEN IN VEGETABLE MARKETS
BIR SING MAHATO;MANSUKHBHAID. VASAVA

Will the Minister of AGRICULTURE be pleased to state:

(a) whether middlemen working in wholesale vegetable markets purchase vegetables at lower prices from the farmers and sell them to consumers at the double rate thus creating havoc for the vegetable growers; and

(b) if so, the remedial action taken by the Government to ensure that the farmers get remunerative prices for their produce and the consumers also get vegetables at reasonable prices?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): No, Sir.

(b): Organized marketing of agricultural commodities has been promoted in the country through a network of regulated markets by the State Governments. Most of the State Governments and Union Territories have enacted their own legislations to provide for regulation of agricultural produce markets. Regulated markets help in mitigating the market handicaps of producer-sellers. It was envisaged that physical markets with facilities and services will attract the farmers and the buyers, creating competitive trade environment thereby offering the best prices to the producers and consumers.

As on 31.3.2003, 7177 markets have been covered under the respective State Marketing Regulation Acts. There are 7360 wholesale markets and 27,294 rural primary markets, about 20% of which function under the ambit of market regulation. Studies indicate that the institution of regulated markets has achieved only a limited success in providing need based amenities and services conducive to efficient marketing. Many of the regulated market yards lack requisite facilities for handling the produce arriving there. Rural periodic markets in general, and tribal markets in particular, have remained out of the ambit of regulation and development.

Recently some of the State Governments like Punjab, Haryana, Andhra Pradesh, TamilNadu, Maharashtra, Rajasthan and Karnataka have promoted farmers' markets to enable the farmers to directly sell their produce to the consumers. This has helped in realising remunerative prices for their produce.

An inter-Ministerial Task Force constituted by this Department on agricultural marketing reforms has in its report of 28.6.2002 inter-alia recommended that all the State Governments should amend the State Agriculture Produce Marketing Regulation (APMC Act) to promote direct marketing of agricultural produce in order to minimize distribution losses and to enable farmers to take advantage of favourable prices and improve their net margin. The recommendations of the Task Force were discussed with the State Governments in the National Conference on Agricultural Marketing Reforms held on 27.9.2002 later by the Standing Committee meeting of State Ministers held on 29.1.2003, wherein this Ministry was requested to formulate a Model Legislation on Agricultural Marketing in order to guide the States in implementing the reforms. Accordingly, a Committee under the Chairmanship of Additional Secretary in Department of Agriculture & Cooperation has formulated a Model Legislation on Agricultural Marketing. The Model Law has been sent to all State Governments/UT Administrations for taking further necessary action as the subject matter falls within the purview of the State Governments/UT Administrations.