

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:77  
ANSWERED ON:26.02.2007  
APMC ACT  
Patil Shri Shrinivas Dadasaheb

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether all the States have since accorded approval to the model Agricultural Produce Marketing Committee (APMC) Act;
- (b) if so, the status of implementation of this Act, as on date;
- (c) the changes proposed to be made in the APMC through this model Act; and
- (d) the benefits likely to accrue to the farmers therefrom?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) & (b): The current status of introducing reforms in agricultural marketing sector by suitably amending the respective Agricultural Produce Marketing Regulation Act on the basis suggested in the Model Act is indicated in the attached statement.

(c): The major reforms sought to be introduced include, inter alia:

- (i) Enabling legal persons, growers and local authorities to establish new markets in any area.
  - (ii) Removing the restriction on the growers to sell their produce only through existing regulated markets,
  - (iii) Establishment of Direct Purchase Centres and Consumers` / Farmers` Markets for direct sale.
  - (iv) Providing a separate provision for establishment of special markets for commodities like onions, fruits, vegetables, flowers etc., and
  - (v) Introducing an institutional support mechanism to contract-farming arrangements.
- (d) The reforms would encourage a marketing regime, where there is fair competition, so that the farmers can gain from the options available and take their produce to the centres that offer the best prices and services. The contract farming arrangements will provide an effective method of linking small farm sector to agro-processing industry and to sources for extension advice, seeds, credit card to assured and profitable markets.