

KARNATAKA AGRICULTURAL PRICES COMMISSION

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DEPARTMENT OF AGRICULTURE PREMISES, BANGALORE 1

Hon'ble Chief Minister of Karnataka in his budget speech dated 12.07.2013 proposed the establishment of an advisory body to look into all aspects of production, marketing and pricing of agriculture and horticultural commodities in Karnataka. Accordingly, as per Government order No.AGD/61/AMS/2013, Bangalore Dt: 31.01.2014, the **Karnataka Agricultural Prices Commission (KAPC)** was constituted with Chairman and 5 members. The Vision, Mission, Terms of References, Duties, Structure are given below:

VISION:

The vision of price commission is to ensure maximum share of consumer price, achieve sustainable development in the field of agriculture of the State provide remunerative price of farm produce and to provide suitable marketing system etc.

MISSION:

To provide remunerative price for the farm produce, through price and non price mechanisms, critical marketing interventions during the period of glut, marketing reforms and collective bargaining, improving the basic facilities for market, stabilization of market To enhance collective bargaining power of farmers and reach all the sections of farming community through effective accomplishment of market reforms, crop insurance, E-trading.

TERMS OF REFERENCES

1. Advice the Government to evolve a balanced and integrated price structure on scientific base agriculture and horticultural commodities considering inter alia the cost of cultivation, marketing functions, agro-ecological conditions both in the short term and long run.
2. To assist the Government in providing policies/programs towards well-organized, efficient competitive marketing system, creation of rural infrastructure including threshing yard, storage structures, transportation, supply chain, processing, grading and packaging services.
3. To suggest measures to enhance bargaining power of farmers and reduce the price risks through collective action in marketing, price stabilization fund and hedging.

4. To provide measures towards food security with cost effective and sustainable ways considering rainfed farming, nutrition, climate change and sustainable use of resources.
5. Enable the policy makers, researchers, farmers for appropriate decision making by providing reliable data and information on all aspects of production and marketing of farm produces.
6. To devise proper methodology for fixing remunerative prices for agriculture & horticultural commodities and suggest cost effective and efficient measures of implementing the same in consultation with various stakeholders.
7. To review the current marketing set up and suggest measures to improve efficiency in marketing reducing the yield gaps of agricultural and horticultural commodities.
8. Suggest regional crop planning for agro-climatic zones based on socio-economic and agro-biological factors with sustainable use of resources to avoid overproduction and glut in the market.
9. To advice on any problems relating to marketing and pricing of farm products that may be referred to the Commission by Government from time to time.
10. To act as a liaison between the CACP and the State Govt, and as an agent to co-ordinate functioning of various governmental departments and institutions and to harmonize the programs of production, marketing and pricing of farm produces for the welfare of farmers of Karnataka.

DUTIES

1. Estimation of cost of cultivation of principal crops of the state including horticultural crops regularly and systematically using standard cost concepts reflecting the local conditions of demand and supply of inputs and outputs.
2. Identify periodically, crops for which State Government has to undertake Market Intervention Program with an initial focus on Ragi, Jowar, Bajra, Minor Millets, Redgram, Groundnut, Potato, Onion and Tomato.
3. Analysis of production, area coverage, productivity of crops and providing price projection including supply, demand towards remunerative prices for farm produces.
4. To recommend Fair & Remunerative Price (FRP) for major crops/commodities to be made at least two months before sowing season ensuring the interest of both producer and consumer.
5. To generate, analyse, and disseminate quality and reliable data, information and research output of costs, price and other aspects of production, marketing and trading of agricultural and horticultural commodities.

6. To initiate studies, publish reports / papers and undertake workshops, seminars, consultations of production, marketing, pricing, trade and related issues of agriculture and horticulture by engaging researchers, experts, marketing professionals and consultants to address price fluctuations, marketing risks, high costs and other related issues.
7. Explore, on pilot project basis, collective farming and group marketing initiatives to avoid superfluous market intermediaries and to formulate supplementary actions to increase food production to achieve food security goals and to realize programs of the State such as *“Anna Bhagya”* and *Mid day meal scheme*.
8. Suggest specialized commodity markets to reap the benefit of modern marketing such as electronic trading, future markets, hedging for high value, commercial crops.
9. Develop an Agriculture portal to provide information to farmers and formulate a Special Technical Cell to update the information on the portal on regular basis for information to farmers on crop production, marketing and prices for different markets based on the local seasonal and crop conditions.
10. To study the market situation and to suggest the action to be taken by the Government whenever there is fluctuation in the price of agriculture/horticulture commodities in the market.

STRUCTURE

1. The APC will be headed by a Chairperson with excellent academic background and reputation of being renowned Agricultural Experts with specialization in Agricultural Economics including Agricultural Marketing.
2. The Chairman shall be assisted by five Members: one member from the Government shall function as Member Secretary.
3. Two Official Members with the specialization in the fields of Agriculture Economics / Agriculture marketing / Farm Management / related disciplines.
4. Two non-official members – Practicing Farmers with a progressive outlook and practical knowledge marketing of farm products.
5. Supporting Staff: Staff and Technical Personnel can be drawn from the Government Departments/Agricultural/Horticultural Universities of the State on deputation / others on contractual basis.
6. Experts / professionals in the fields of Agriculture Price, Marketing and trading can be drawn on deputation / contractual / outsourcing bases.
- 7. *The term of the KAPC would be for three years.***