

Transforming Rural Economy-Market Reform

Three new statute are part of overall framework for transformation of agricultural sector and aims at increasing income of farmers by doing ease of doing his business namely production and sale of his produce.

Statute related APMC is enabling farmers to have more options. He can sell his produce to

- APMC
- MSP
- Pvt Trade / Indus
- Online Platform

Earlier restriction of selling through APMC is going away.

Second he has now mechanism to recover his dues and payment is to be made in three days. If not paid he can go to Deputy Collector-SDM - locally. He need not retain a lawyer and visit Civil Court for grievance redressal. Under APMC Act there is no such process.

Third he can sell at farm gate to Private Players (industry or trader). Loss from farm-gate to APMC Market point is between 15 per cent to 40 per cent. His that much income can be enhanced if sells at farm gate.

Fourth contract farming enable him to produce as per need of market and he need not worry of inputs – seeds – fertilizer –

pesticides. He can get better price with low risk. We have huge number of share croppers. Land owner does not like to make investment. This make low yield. That will change. As per one estimate share croppers range upto 40 per cent in urban centrist districts. All these share cropper / farmers will benefit. Livestock sector – cooperative dairies buys at prescribed rate and provides all other services. Rates undergo revision every year. Hence fear that farmers will be exploited is mis-placed. Whether farmers make contract on his land or as share cropper fear that land will go CORPORATE is wrong as there is no land transfer as per Act. Land remains with original owner. Already we have contract farming in Sugar cane, Mangoes, Sapotas etc.

Amendment in Essential Commodities Act puts him on par with other non-farm producer. So far he was, restricted. There is equity here.

As regards APMC – they remain as they are. There is no interference in their work. In fact they will become real business organizations and compete in market which will increase price for farmers' produce further. They may also become professional and hire qualified persons like Milk Producers Union.

- Monopoly APMC Trader is going away
- Collection of cess outside APMC goes away – they use to get for doing nothing. Traders of APMC even can sell anywhere in the country.

- Monopoly of APMC Board – to keep only selected number of traders goes away as any trader can compete market.
- Unlike Milk cooperative APMC do not share profit with farmers. Some do provide facilities to farmers. Now all will do provide facilities to attract farmers to sell in APMC. Some may also start collection from village level. Briefly, dependence of small farmers to sell only through APMC goes away. They can sell where they can get best price.

Employment:

- Due to more competition new employment will be generated as private players will recruit young persons for purchase and technical guidance. New brand Rural Manager will come into existence. Agriculture graduates will get jobs to provide technical guidance.
- Local industry at village level for agri. processing can be profitable as no need to go to APMC time and again for permission. Local wealth and employment will be generated.

The Prime Minister Shri Narendra Modi has vision for transformation of Agriculture Sector. He took series of steps to re-structure the sector. Agriculture suffered from in-equity and lack credit to farmers, lack of business infrastructure funds, fishermen and animal holders were not prioritized so on and so forth. Therefore, call for doubling income of farmers and vision to ensure that sustainable livelihood is provided to

farmers – which means that a farmer’s family has enough to live, that his income does not become less – irrespective climate or other adversities and that farmers income increase gradually and doubles. For this series of transformational actions are introduced along with schemes:

- Direct cash payment in farmers account.
- Soil Health Card – for sustainable agriculture.
- Kisan credit – ease of getting credit
- Infrastructure Fund – storage in Farm, Warehousing, Cold Chain, Transport etc.
- Special Support Livestock, Fisheries & Horticulture & provide multiple source of income.
- Support Micro Enterprise by rural youth.
- Re-skill, Up-skill farmers.
- Support Women farmers.
- E-platform for marketing.
- FPO – one each for block
- MGNREGA
- Integrated Irrigation Scheme

There is a belief with many of us that farmers are illiterate and do not know their interest. We have now above 60 per cent literacy and every farmer family has minimum two members who are educated, well versed through mobile – about what is happening around the world. Farmers, therefore, will sell their produce where

they get maximum return and their information level of current affairs is same as of anybody else across the country.

Most importantly these measures will strengthen farmer – particularly poors who are left out of development process. It will reduce gap of price paid to farmers and price paid by consumer – currently gap is from 40 per cent to 100 per cent and enhance farmers income. It will reduce transit loss which 25% to 40%. Both together can enhance income of farmers by 50%. This is a win-win situation for both farmers and urban consumers and will transform rural economy. Entire economy have effect multiplier effect and rapid.