



**UNIVERSITY OF AGRICULTURAL SCIENCES
DEPARTMENT OF AGRICULTURAL EXTENSION
GKVK, BENGALORE-560065**

Name : Anitha Raj N
ID. No. : PALB 8024
Class : III Ph.D.

Venue : Webinar (Zoom 3765459767)
Time : 2.00 p.m.
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**Seminar III
An Overview of Agricultural Market Legislations 2020**

Synopsis

Agriculture plays a key role in the rural development of the country. The green revolution has paved a path for India to be self-sufficient in food production. An uninterrupted supply of food and raw materials is very much essential in India to curb inflation. The rapid increase in demand for food is witnessed in India due to the population pressure. In India farmers mainly face two types of risks. They are price risk and yield risk. Price risk refers to the loss occurring for the farmer due to the fluctuations in prices and yield risk refers to the loss occurring for the farmers due to the uncertainty in quantity and quality of their produce. Even though Minimum Support Prices exist in the country, it is not adequate enough to cover up for all losses. The recently introduced agricultural legislation are aimed at protecting farmers from these kinds of risks. Traditionally, government have been dealing with these risks by announcing distress packages. But an amendment of this kind is new to our economy. To bring down the income inequality in any country, it is very much essential to uplift the rural economy (Deepak Maurya, 2020).

With this background, the present seminar is conceptualized with the following objectives:

1. To understand the major provisions of new farm legislation
2. To highlight the challenges regarding the introduction of new legislations
3. To study the pros and cons of new legislations
4. To review the related studies
5. To collect data on three new legislations

Three bills on agriculture reforms:

1. The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020
2. The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020
3. The Essential Commodities (Amendment) Bill, 2020

Reform bills 2020

Aim : Transformation of agriculture sector and raising farmers income and livelihood status

The Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020: This proposed legislation seeks to give freedom to farmers to sell their produce outside the notified APMC market yards (mandis). This is aimed at facilitating remunerative prices through competitive alternative trading channels. Farmers will not be charged any cess or levy for sale of their produce under this Act.

The Farmers (Empowerment and Protection) Agreement of Price Assurance and Farm Services Bill, 2020: This proposed legislation seeks to give farmers the right to enter into a contract with agribusiness firms, processors, wholesalers, exporters, or large retailers for the sale of future farming produce at a pre-agreed price.

The Essential Commodities (Amendment) Bill, 2020: This proposed legislation seeks to remove commodities like cereals, pulses, oilseeds, onion, and potatoes from the list of essential commodities and will do away with the imposition of stock holding limits on such items except under 'extraordinary circumstances' like war, famine, extraordinary price rise and natural calamity.

Case Studies

Sahoo et al., (2020) reported that the issues and concerns raised by the protesters include the end of the MSP regime, the lack of relevance of the 'mandis' of the State-controlled APMC, the risk of losing land rights under the contract farming rule, the reduction of farm produce prices due to market dominance by large agribusinesses and the exploitation by large contractors of farmers through contents.

Thomas (2020) stated that instead of a complete structural change, a step by step process would be much desirable to bring out its full potential. The rural economy of India depends heavily on agriculture and they still rely upon the traditional methods. So, changes in the marketing structure alone cannot bring a full-fledged improvement because the production techniques remain the same. The actual effects of this bill could only be realised after the proper implementation of the same.

Conclusion

The way the bills are passed created mistrust in farmers against government. Thus I would like to conclude by proposing few suggestions to the implemented legislations. They are: In KVK, there should be a subject matter specialist from marketing department too. Government will give subsidy for inputs but there is no subsidy for marketing the produce. There will be no data regarding price or production if the direct marketing is implemented. If direct marketing is a choice to farmers, then nearly 80% of the produce will be sold offline. Then there will be no data regarding price. Hence farmer will face problems to fix price for his produce. Based on market demand farmers should grow the crops, then he can get more price for his produce. This has to be informed or advised by the agriculture and horticulture department.

References

JYOTI PRAKASH SAHOO , KAILASH CHANDRA SAMAL AND DIBAKAR BEHERA, 2020, Impact of india's new farm act, 2020 on farmers and markets, *Biotica Research Today*, 2(10): 985-987.

SERENE LIZA THOMAS, 2020, Indian agriculture and agricultural bill 2020. *Journal of Interdisciplinary Cycle Research*, 7(9): 565-568.

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