

Farmer & Agriculture

Honourable Prime Minister sir, Honourable Ministers, Cabinet Secretary sir and distinguished delegates -

This group comprised of Dr. Ashok Gulati, Chairman ICRIER, Dr. R.S. Paroda, Former DG, ICAR, Dr. Pramod Joshi, Director, IFPRI and Shri Ashish Bahuguna, Former Secretary Agriculture, GOI.

The discussion of the group was structured around the following five themes –

1. Ensuring effective, accurate and realistic land title system.
2. Lab to Farm which include issues like lack of focus on agri-based research and higher education in agriculture
3. Farm to table which includes the issues of how to get both agri prices as well as agri markets right
4. Access to Credit focusing upon lack of banking and proper insurance covers for farmers
5. Cause of landless labour and lack of alternate skills.

From the panel discussion the following three major areas of concerns emerged

- Viability of the farm sector
- Risk exposures in the farming sector
- Inefficient markets.

Consensus emerged that a prerequisite for most reforms is an efficient and accurate land title system

- i. The agricultural lands were first surveyed in the middle of the nineteenth century. In most parts of the country, no such surveys have been redone. We still rely on century old maps.
- ii. There is a wide gap between what the records reflect and what exists on ground and this gap is constantly widening.
- iii. While the maps are outdated, the situation is further compounded by the wrong names of persons appearing as owner(s) for a given parcel of land.
- iv. Net outcome is that the land titles are defective and the farmers often refrain from investing in their own lands and they spend huge amount of time and resources in litigations. A defective land title system is also an obstacle to any crop insurance system.

The group made several recommendations, important ones are summarized here –

A. An effective Land title system

- i. It is high time a comprehensive survey of all land holdings in the country was taken up. Unlike in past it can be done economically using modern technology. This can be completed within a time frame of three years. Of course, the outcome would be digitized maps of all land holdings.
- ii. The land revenue department should go back to the basics. They should own up the responsibility of recording correct titles of lands and not to refer cases to civil courts. This would require a massive capacity building of their capacities right from the level of 'patwaris' to Collectors. All these officials should have complete knowledge of laws relating to transfer of lands.

B Marketing –

- i. At present farmer does not have a choice of selling his produce in the manner he likes. Therefore in order to give better choice to farmers it is essential that we start moving towards creation of unified agricultural market in the country.
- ii. As a first step, unified markets could emerge at the state levels. This would require amendment of APMC Act (Mandi Acts).
- iii. Currently, there is no concept of marketing online for farmers which means the middlemen continue to exploit the farmers. APMCs should be restructured so as to provide an electronic platform to market their produces. Online grocery retailers should be further encouraged and it should be consolidated by developing infrastructure for e-trading in the commodity market.
- iv. The regime of MSP needs a relook.

C. Risk management and insurance :

- i. Crop insurance system needs to be transformed. Premium needs to be partly borne by centre and state. Extra burden on the state exchequer could be compensated by putting a cess on farm input industry or on exports of water-guzzing crops.
- ii. Once the land holdings are digitized and titles corrected, the entire crop insurance claim management could be technology driven and the claims could be linked to Jan Dhan Yojna.

D. Institutional reforms

- i. Enhancing the financial OUTLAY for agri-research to 1% of GDP. But it needs to be ensured that it is managed efficiently.

One of the major components of vision Team India is to improve agriculture productivity. The group's recommendations would go a long way in realizing that vision.