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What is Black in Farm Laws ?

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INTRODUCTION

June 5, 2020, would go down as a “black day” in the history of Indian agriculture. On this day, the Centre had introduced three farm ordinances — a bolt from the blue for the farming community. The farmers protested peacefully at different places and in a diverse manner to draw the Centre’s attention towards their concerns. But the government had a different plan up its sleeve and this was the reason it remained adamant, ignoring farmers’ protests. In September 2020, amid dramatic scenes, the Parliament passed the three ordinances in violation of parliamentary rules. The three laws have since been a subject of nationwide protests.

As the agitation continued, the Centre started a series of parleys with the farmers. In 11 rounds of talks, the farmers presented in detail their views, the lacunae in agricultural laws and explained how the three legislations were unconstitutional. Even then the government, in an attempt to befool people, kept on claiming that the farmers were not forthcoming in explaining the shortcomings in the three laws. In a way, the government admitted to the lacunae. It would, therefore, be no exaggeration to say that the three legislations are “black laws”.

To unmask the truth behind the Centre’s rhetoric, an attempt has been made to explain how the three laws are anti-farmer and unconstitutional, and how these laws harm the agricultural economy.

The farmers’ agitation has now assumed the shape of a people’s movement because the working class is also going to be hit hard by the farm laws. The government intends to hand over the agricultural economy to the corporate sector. Once the corporates take over, foodgrain and other food items will become costly. By then, the government will lose control and the consumer will be on the brink of starvation. The need is to redeem the situation now. And it is urgent.

The farmers' protest has given birth to a class consciousness that has helped the poor, labourers, employees and other working class people to rise above religious and caste prejudices. The government has taken an exception to it, but is not fearful. Notwithstanding the government's attitude, the new consciousness of the working class is an indication that a structural change is possible in India.

Lest the government succeeds in keeping people in the dark about the lacunae in the three agricultural laws, an attempt has been made to reveal the anti-people character of these legislations from the legal point of view.

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ESSENTIAL COMMODITIES (AMENDMENT) ACT — ANTI-FARMER, ANTI-CONSUMER

June 2020. Wheat had been bought at the Minimum Support Price (MSP) in Punjab and Haryana and farmers were busy with transplanting paddy. On the national front, the country was battling the Covid-19 pandemic. At that juncture, on June 5, 2020, the Union Government, instead of taking measures to curb the spread of the deadly virus, brought in three agricultural ordinances. The ordinances were passed by the Parliament even as the apprehensions arising out of the legislations and their consequences for the agriculture sector were still being debated. In this context, it becomes imperative to study the laws from the legal and constitutional point of view so that there is no doubt about their ramifications on the farming sector.

In 1939, when the Second World War started, the government had to battle wars on two other fronts too. First, the rise in prices of essential commodities and black marketing. To curb this, the Defence of India Act, 1939, was passed. Second, the increase in rent of houses and shops in cities. To regulate rent, the Rent Control Acts were passed. In 1946, the nomenclature of the Defence of India Act was changed to the Essential Supplies (Temporary Powers) Act, 1946. It was valid till 1948, but its duration was increased to 1955. That year, the Essential Commodities Act, 1955, which is the subject of discussion here, was passed. Rafi Ahmed Kidwai, who was the Food and Agriculture Minister in the Jawaharlal Nehru Cabinet, had started drawing a blueprint of the Essential Commodities Act in 1952, but following his death in 1954 due to an asthma attack while delivering a speech, the Act was passed in 1955.

The need and importance of this Act stemmed from the precarious foodgrain situation in the country in the initial years of Independence. India had to import foodgrain. Traders made the most of the situation. They hoarded essential commodities and sold them on the black market. The government found it difficult to rein them in. Therefore, the Essential Commodities Act, 1955, was an important step towards bringing the situation under control. The introduction to the Act states: “An Act to provide, in the interest of the general public, for the control of production, supply and distribution of, and trade and commerce, in certain commodities.”

Section 3 of the Act gives power to the Central Government to control production, supply and equitable distribution of essential commodities. It also provides for securing any essential commodity for the defence of India or the efficient conduct of military operations. For this to happen, it can issue certain control orders which provide

a) for regulating by licences, permits or otherwise the production or manufacture of any essential commodity

b) for bringing under cultivation any waste or arable land, whether appurtenant to a building or not, for the growing thereon of food-crops generally or of specified food-crops, and for otherwise maintaining or increasing the cultivation of food-crops generally, or of specified food-crops

c) for controlling the price at which essential commodity may be bought or sold

d) for regulating by licences, permits or otherwise the storage, transport, distribution, disposal, acquisition, use or consumption of, any essential commodity

e) for prohibiting the withholding from sale of any essential commodity ordinarily kept for sale

f) for requiring any person holding in stock, or engaged in the production, or in the business of buying or selling, of any essential commodity:

    a) to sell the whole or a specified part of the quantity held in stock or produced or received by him, or

    b) in the case of any such commodity which is likely to be produced or received by him, to sell the whole or a specified part of such commodity when produced or received by him

As per Schedule, essential commodities include:

1. Drugs and cosmetics
2. Fertilisers
3. Foodstuffs
4. Rank yarn made wholly from cotton
5. Petroleum and petroleum products
6. Raw jute and jute textiles
7. Seeds, cattle fodder
8. Jute seeds

The essential commodities include fertiliser, cattle feed, coal, including oil cakes used in portable hearth, spare parts of automobiles, cotton, woolen clothes, edible oils and oilseeds, iron and steel, paper, petrol and diesel, petroleum products and other items that the government considers essential for the general public.

The government can issue a control order for these commodities. The Act was amended several times between 1995 and 2003. Every time the Act was amended, the objective was to make it stronger. Any violation of the government's control order is an offence punishable under the Act. Besides, there is a provision in the Act that empowers the consumer or his association to file a complaint against the violator.

The present government has decided to do away with this provision. To do so, it has promulgated ordinance number 8, which later became a law. The amended Act is a watered-down version of the 1955 legislation. The amended part is as under:

"In section 3 of the Essential Commodities Act, 1955, after sub-section (1), the following sub-section shall be inserted, namely:

(1A) Notwithstanding anything contained in sub-section (1)

(a) the supply of such foodstuffs, including cereals, pulses, potato, onions, edible oilseeds and oils, as the Central Government may, by notification in the Official Gazette, specify, may be regulated only under extraordinary circumstances, which may include war, famine, extraordinary price rise and natural calamity of grave nature;

(b) any action on imposing stock limit shall be based on price rise and an order for regulating stock limit of any agricultural produce may be issued under this Act only if there is

(i) hundred per cent increase in the retail price of horticultural produce; or

(ii) fifty per cent increase in the retail price of non-perishable agricultural foodstuffs, over the price prevailing immediately preceding twelve months, or average retail price of last five years, whichever is lower."

"Provided that such order for regulating stock limit shall not apply to a processor or value chain participant of any agricultural produce, if the stock limit of such person does not exceed the overall ceiling of installed capacity of processing, or the demand for export in case of an exporter."

Notwithstanding the Central Government's claim that the amended Act would benefit the farmers, its analysis proves that the traders and hoarders will have a barrier-free access to the open market. They can neither be reined in nor will any control order be binding on them. The amended Act has done away with control orders that could have been issued under section 3 sub-section (1), which have been listed above.

The focus of traders is on food processing, which is a profitable venture. They buy maize for Rs 10 a kg from a farmer, convert it into custard and sell it for Rs 250 a kg. They buy potatoes for Rs 5-10 a kg and sell chips for Rs 200 a kg. Green peas are available for

Rs 10-15 a kg, while frozen peas are sold for Rs 100 a kg. The price of coffee beans is Rs 200, but instant coffee is sold for Rs 2,000 a kg. In brief, the amended Act has given a free hand to traders. Now, the government no more fixes the selling and buying price.

One thing must be noted. Farmers alone will not face the consequences of this. Every consumer will bear the brunt. Food items will no longer be available against ration cards, but money will be credited into the bank accounts of the general public on the pretext of “corrupt” Public Distribution System, which will ultimately be abolished. Everyone will have to buy essential items from the corporate-controlled market at rates decided by big enterprises. The poor, farmers and other consumers will be badly hit by this.

Farmers were hoping that the Centre would pat their back for helping the country tide over the problem of food shortage in the initial years of Independence and then making the country food surplus, thanks to the Green Revolution. But they feel betrayed, more so given the context in which the Essential Commodity Act, 1955, was enacted.

WHY FARMERS ARE DEMANDING MSP

MSP mean Minimum Support Price. In other words, it does not even cover the cost of production. Therefore, this much price (MSP) for crops must be paid to farmers.

There are three variables to determine the MSP.

A2: It is out-of-pocket expenses incurred by farmers, such as loans for fertilisers, fuel, machinery, irrigation, etc, and the cost of leasing land.

A2+FL (A2+family labour): It is the estimated value of unpaid labour for harvesting crops, such as contribution by family members.

C2: It is the Comprehensive Cost, which is the actual cost of production. It takes into account the rent and interest foregone on the land and machinery owned by farmers in addition to the A2+FL rate.

To determine the MSP, the Central Government gives weight age to A2. In the face of farmers' protest, it started considering A2+FL while calculating the MSP. The government has refused to determine the MSP on the C2 costs.

The formula recommended by the Swaminathan Commission is as follows:

MSP= C2 + 50% of C2

Before the 2014 General Election, Narendra Modi had promised that the first thing he would do on attaining power would be to implement this formula. However, he did not keep his word. In response to the farmers' petition in the Supreme Court, the Centre had submitted that it was impossible for it to implement the Swaminathan Commission report.

The perusal of pages 55-66 of the writ petition 18969/2014 filed in the Punjab and Haryana High Court shows that for every quintal of crop, the MSP is Rs 300-400 less than the cost of production.

In 1964, the government had formed the Agricultural Prices Commission, which was mandated to recommend Minimum Support Prices for every crop. The Commission did its job, but had one shortcoming. It did not take into account the cost of production while determining the price. To fill this lacuna, the Commission for Agricultural Costs and Prices (CACP) was constituted in 1985.

The Commission was mandated to fix the price on the basis of the following variables:

1. Cost of production
2. Changes in input prices
3. Input-output price parity
4. Trends in market prices
5. Demand and supply
6. Inter-crop price parity
7. Effect on industrial cost structure
8. Effect on cost of living
9. Effect on general price level
10. International price situation
11. Parity between prices paid and prices received by farmers
12. Effect on issue prices and implications for subsidy

A careful analysis of these variables shows that points 4, 5, 7, 9, 10 and 12 are not concerned with farmers. This is a ploy to fix low cost prices for crops. As a result, the MSP turns out to be less than the input cost.

As per a writ petition filed by farmers in the Punjab and Haryana High Court, input cost is more than the MSP. In 2013-14, the cost of production of wheat was Rs 1,613 per tonne, while the MSP was Rs 1,350. The cost of production of paddy was Rs 1,757, while the MSP was Rs 1,310. As for the bajra, its cost of production was Rs 1,315 and the MSP was Rs 1,250. The year 2013-14 is just a pointer to the state of affairs. In the subsequent years as well, the MSP was Rs 300-400 less than the cost of production for every quintal of produce. On page 46 of the writ petition, a table for 2013-14 compares the input cost and MSP of various crops. It is being reproduced here.

Crop	**Cost of production**	**MSP**
Paddy	Rs 1,757	Rs 1,310
Bajra	Rs 1,315	Rs 1,250
Maize	Rs 1,654	Rs 1,310
Cotton	Rs 3,783	Rs 3,700
Wheat	Rs 1,613	Rs 1,350
Barley	Rs 1,462	Rs 980
Gram	Rs 3,924	Rs 3,000

Every year, farmers incur loss of crores of rupees and this is the reason behind the rising number of farm suicides.

Since the Central Government is neither implementing the Swaminathan Commission recommendations nor fixing the MSP on a par with the cost of production, farmers are demanding that the least the Centre can do is to procure 23 crops recommended by the CACP on the MSP. But it has refused to do so. By enacting the three new farm laws, the Centre is hell bent on abolishing the MSP regime.

Government of India Misleading on MSP

On 9 June 2021, the Govt. of India, issued a notification declaring the MSP for 2021-22. It is claimed in the notification that cost of production has been calculated keeping in view various factors including rent on land ploughing, sowing, rearing, harvesting and post harvesting charges and as per the calculation, the cost of production of wheat, comes to Rs. 960 per quintal and that paddy Rs. 1293 per quintal. Keeping in view the cost of production of various crops, derived on the basis of above figures, the MSP for 2021-22 has been fixed on one and half percent more than the cost price. As such the Govt. of India claims to have complied with the recommendations of the Swami Nathan report

When tested on the facts on ground level, the claim of 1.50 percent above cost price is found not only unfound but false. The rent on the land in the State of Punjab and Haryana is Rs. 35000 to 50000 per acre. In other States it is close to it. If we take average of 40000 per acre, it comes to Rs. 20000 per acre for one crop. If one acre of wheat yields 20 quintal the rent alone comes to Rs. 1000 per quintal. The Govt. of India is calculating Rs. 960 per quintal total cost of production of wheat.

On another, counter check the cost of production calculated by Govt. of Haryana, Department of Agriculture and Farm Welfare, the figures for the year 2018-19 are available. As per their calculation cost of production in 2018-19 was Rs. 2074 per quintal and that paddy was Rs. 2637 per quintal as against Rs. 960 for wheat and 1293 for paddy calculated by Govt. Of India for the year 2021-22. Ten percent increase in cost is to be legally added. When added, in 2018-19, cost, the cost of production of wheat comes Rs. 2606 per quintal and that of paddy Rs. 3428 per quintal.

The cost of production. Which was to be calculated by Agriculture cost and prices commission is also different from Government figures. Commission calculated Rs. 1850 cost of production in 2018-19 and for wheat Rs. 1840 per quintal and for paddy Rs. 1870.

Copy of notification dated 9 June 2021 which gives details cost of production 1293 for paddy and Rs 960 for wheat and other crops is at page __

As against it, the document released under RTI, regarding cost of production calculated by department of Agriculture and Farmer Welfare Haryana is at page__

The Countrymen and the farmers are being misled by the government.

Cabinet Committee on Economic Affairs (CCEA)

Cabinet approves Minimum Support Prices (MSP) for Kharif Crops for marketing season 2021-22

Posted On: 09 JUN 2021 3:45PM by PIB Delhi

The Cabinet Committee on Economic Affairs, chaired by Prime Minister Shri Narendra Modi, has approved the increase in the Minimum Support Prices (MSPs) for all mandated Kharif crops for marketing season 2021-22.

Government has increased the MSP of Kharif crops for marketing season 2021-22, to ensure remunerative prices to the growers for their produce. The highest absolute increase in MSP over the previous year has been recommended for sesamum (Rs. 452 per quintal) followed by tur and urad (Rs. 300 per quintal each). In case of groundnut and nigerseed, there has been an increase of Rs 275 per quintal and Rs 235 per quintal respectively in comparison to last year. The differential remuneration is aimed at encouraging crop diversification.

Minimum Support Prices for all Kharif crops for marketing season 2021-22 are as follows:

Crop	**MSP 2020-21**	**MSP 2021-22**	**Cost* of production 2021-22 (Rs/quintal)**	**Increase in MSP (Absolute)**	**Return over cost (in per cent)**
Paddy (Common)	1868	1940	1293	72	50
Paddy (GradeA)^ **A)A**	1888	1960	-	72	-
Jowar (Hybrid) (Hybrid)	2620	2738	1825	118	50
Jowar (Maldandi)^	2640	2758	-	118	-
Bajra	2150	2250	1213	100	85
Ragi	3295	3377	2251	82	50
Maize	1850	1870	1246	20	50
Tur (Arhar)	6000	6300	3886	300	62

Moong	7196	7275	4850	79	50
Urad	6000	6300	3816	300	65
Groundnut	5275	5550	3699	275	50
Sunflower Seed	5885	6015	4010	130	50
Soyabean (yellow)	3880	3950	2633	70	50
Sesamum	6855	7307	4871	452	50
Nigerseed	6695	6930	4620	235	50
Cotton (Medium Staple)	5515	5726	3817	211	50
Cotton (Long Staple)^	5825	6025	-	200	-

** Refers to comprehensive cost which includes all paid on costs such as those incurred on account of hired human labour, bullock labour machine labour, rent paid for leased in land, expenses incurred on use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc., miscellaneous expenses and imputed value of family labour.*

^ Cost data are not separately compiled for Paddy (Grade A), Jowar (Maldandi) and Cotton (Long staple)

The increase in MSP for Kharif Crops for marketing season 2021-22 is in line with the Union Budget 2018-19 announcement of fixing the MSPs at a level of at least 1.5 times of the All-India weighted average Cost of Production (CoP), aiming at reasonably fair remuneration for the farmers. The expected returns to farmers over their cost of production are estimated to be highest in case of Bajra (85%) followed by urad (65%) and tur (62%). For rest of the crops, return to farmers over their cost of production is estimated to be at least 50%.

Concerted efforts were made over the last few years to realign the MSPs in favour of oilseeds, pulses and coarse cereals to encourage farmers shift to larger area under these crops and adopt best technologies and farm practices, to correct demand - supply imbalance. The added focus on nutri-rich nutri-cereals is to incentivize its production in the areas where rice-wheat cannot be grown without long term adverse implications for groundwater table.

Besides, the Umbrella Scheme "Pradhan Mantri AnnadataAaySanraksHan Abhiyan' (PM-AASHA) announced by the government in 2018 will aid in providing remunerative return to farmers for their produce. The Umbrella Scheme consists of three sub-schemes i.e. Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement & Stockist Scheme (PPSS) on a pilot basis.

With an aim to attain self-sufficiency in the production of pulses, a special Kharif strategy has been prepared for implementation in the ensuing Kharif 2021 season. A detailed plan for both area expansion and productivity enhancement for Tur, Moong, and Urad has been formulated. Under the strategy, all the available high-yielding varieties (HYVs) of seeds will be distributed free of cost to increase area through intercropping and sole crop. Similarly, for Oilseeds, the Government of India has approved an ambitious plan for the free distribution of high-yielding varieties of seeds to the farmers for the Kharif season 2021 in the form of mini-kits. The special Kharif program will bring an additional 6.37 lakh hectare area under oilseeds and is likely to produce 120.26 lakh quintals of oilseeds and edible oil amounting to 24.36 lakh quintals.

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– 1 हरियाणा मे खरीफ व रबी की फसलों की कृषि लागत/कीमतों औ एस पी के तुलनात्मक वक्तव्य की जानकारी निम्न दी गई है। (COMPARATIVI ATEMENT OF AGRICULTURAL COST/PRICES AND MSP.)

(Rs./Qtls.)

Year	Cost of Production (Estimated by Department.)	Recommended by CACP	Fixed by Govt. of India
WHEAT			
2016-17	2219	1625	1625
2017-18	2050	1735	1735
2018-19	2074	1840	1840
GRAM			
2016-17	5270	3800	3800+200 = 4000
2017-18	5950	4400	4250+150 = 4400
2018-19	6333	4620	4620
BARLEY			
2016-17	2065	1325	1325
2017-18	1901	1410	1410
2018-19	1926	1440	1440
RABI OILSEEDS			
2016-17	4206	3600	3600+100=3700
2017-18	4343	4000	3900+100=4000
2018-19	4369	4200	4200

(Rs./Qtls.)

Year	Cost of Production (Estimated by Department.)	Recommended by CACP	Fixed by Govt. of India
CROP-PADDY			
2016-17	2074	1470 Grade (A) 1510	1470 Grade (A)1510
2017-18	2657	1550 Grade (A) 1590	1550 Grade (A)1590
2018-19	2637	1745 1770	1750 1770
BAJRA			
2016-17	1530	1330	1330
2017-18	2070	1425	1425
2018-19	2118	1950	1950
MAIZE			
2016-17	2040	1365	1365
2017-18	2439	1425	1425
2018-19	2454	1700	1700

NO PROVISION OF MSP IN NEW FARM LAWS

As per the new agricultural laws, an "electronic trading and transaction platform" will be set up to facilitate traders to know about the prices of crops in different grain markets. On the basis of this information, traders will buy crops. This proves that traders will not be bound to buy the produce on the MSP. There is no mention of the MSP in the three laws.

On July 10, 2013, the Indian Government had announced the Minimum Support Price for some crops and named a few agencies that would buy the produce on the MSP on its behalf. If these agencies incurred losses while procuring crops on the MSP, the Indian Government will make up for that loss. The agencies were:

1. Food Corporation of India (FCI)
2. National Agricultural Cooperative Marketing Federation of India (NAFED)
3. Central Warehousing Corporation (CWC)
4. National Cooperative Consumers Federation of India (NCCF)
5. Small Farmers Agribusiness Consortium (SFAC)

The FCI was to buy every type of crop. The NAFED, CWC, NCCF and SFAC would buy pulses and oilseeds. The NAFED would also buy cotton.

This was announced in a letter F. No. 6-3/2012-FEB-ES (Vol. 11). The new agricultural laws, however, make no mention of the government agencies that will buy the produce on the MSP. The government and the FCI are now out of the purview of the definition of "sale and purchase of farm produce". The Shanta Kumar Committee Report has already recommended that the FCI must be abolished. The biggest shortcoming of these laws is that there is no provision of support prices.

HOW GRAIN MARKETS CAME INTO BEING

On June 5, 2020, a market system giving traders and hoarders an unrestrained say was created. How this was made possible? By taking essential commodities out of the purview of the Essential Commodities Act, 1955, and weakening government control over traders and hoarders. The aim of one of the new laws states, "An Act to provide for the creation of an ecosystem where the farmers and traders enjoy the freedom of choice relating to the sale and purchase of farmers' produce..." In reality, this is not the case. Section 1 of the Act states that the legislation provides for promoting and facilitating trade and commerce of farm produce. This gives the traders a free hand in the market.

It would be better to recall how the present system of making farmers debt-free and agriculture profitable came into being. There was a time when the network of grain markets was absent. The traders determined the price of the produce on their own and the farmers, who were dependent on the traders for loans and other things, had no option but to sell off their produce at that price, which did not even cover the cost of production. They were hard pressed to pay off the mounting debt.

The British government had enacted two laws. In 1918, the Usurious Loans Act was amended. As per the amendment, the rate of interest on loans taken against mortgage of land was capped at 7.5 per cent, which was 2 per cent more than the rate of interest offered by the banks, while the rate of interest on normal loans was fixed at 12 per cent. In 1930, the Rendition of Accounts Act was passed. This Act made it mandatory for moneylenders to give a copy of accounts to the borrowers twice a year — on June 15 and December 15. No moneylender is following this provision. In 1934, the Punjab Relief of Indebtedness Act was passed, thanks to the efforts by Sir Chhotu Ram. The aim was to waive off loans of farmers. In 1939, a law related to grain markets was enacted and, for the first time in Punjab, markets were established. In Pakistan, necessary amendments were made to the 1939 Act and grain markets are still operational there under the 1939

Act. After 1939, village cooperative societies were formed to get rid of moneylenders and help farmers get loans easily from cooperative societies when needed. All these steps were taken after seriously analysing the situation and studying the reports of different committees. A market committee was formed in 1951 and the Thapar Committee in 1954. In 1951, the planning committee of the Indian National Congress had constituted a sub-committee on village grain markets and economy.

An analysis of the reports of these committees showed that the situation of farmers could improve if markets were brought closer to their homes. To help develop modern market system, states introduced the Farm Products Marketing Acts, under which grain markets were established at appropriate places and a marketing board was formed. Land for grain markets was earmarked and sheds were constructed, seating spaces for arhtiyas were built and 'kisan ghars' came up. In brief, a big infrastructure related to the sale of produce came into being. Buyers are required to pay taxes and cess, which are used for rural development such as construction of village roads. It must be noted that the taxes and cess are not charged from the farmers. It is the liability of the purchaser.

In other states as well, the governments enacted laws for the marketing of the farm produce. Under these laws, the Agriculture Produce Market Committees (APMCs) were formed.

The Centre claims that with the three new agricultural laws, farmers will no longer pay taxes and rural development cess. This claim falls flat because buyers, and not farmers, have to pay taxes and cess. Farmers are not to pay for the expenditure related to the management of grain markets.

DOES CENTRE HAVE THE RIGHT TO PASS LAW ON TRADE AND COMMERCE?

Have grain markets been abolished?

The marketing system that will be created under the new laws will render the APMC markets inconsequential. Section 2 (m) of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, defines "trade area" as:

a) farm gates

b) factory premises

c) warehouses

d) silos

e) cold storages

f) any other structure or place, from where trade of the farmers' produce may be undertaken in the territory of India but does not include the premises, enclosures and structures constituting physical boundaries of principal market yards or sub-market yards managed and run by market committees formed under the APMC Act.

After having procured the produce, the trader is free to take it to any state of India or export it to other countries. The trader is under no obligation to buy the produce on the MSP. The trade areas neither include grain markets nor market yards, purchase centres and private market yards managed and run by the market committees. Section 2 (m) clearly states that trade area does not include sub-yards of APMC markets. This is the death warrant for APMC grain markets.

This means that no government agency will buy the farmers' produce on behalf of the FCI on the MSP. This is no different from the time when traders themselves fixed the price.

Is government no more part of the procurement process?

1. Suppose a farmer brings his produce to a grain market. A trader will not buy the crop since the definition of a "trade area" does not include the grain market or its yard. The government has pulled itself out of the agricultural production and marketing, leaving farmers at the mercy of big traders who are not answerable to anyone because the Essential Commodities Amendment Act leaves no scope for the Centre to either act against them or issue any type of control order. This provision was added to the Essential Commodities Act, 1955, by amending the Constitution.

2. In a purchase centre, which has been called a "trade area" in the Act, a trader, who can procure the produce for himself or on behalf of another buyer, has been defined in Section 2 (h) of the Act. A trader is (1) an individual, (2) a partnership firm, (3) a company, (4) a limited liability company, (5) a cooperative society, (6) a society or (7) any association or body of persons recognised by the Central or state government.

The Punjab Agricultural Produce Market Act defines a "buyer" (Section 2.25) as (1) an individual, (2) a registered or unregistered firm, (3) a Hindu undivided family, (4) a company, (5) a cooperative society, a government agency or a public sector undertaking (PSU).

In the new Act, government agencies, the FCI and Public Sector Undertakings (PSUs) have been taken out of the purview of the definition of a "trader". This means that the government and the FCI are already out of the procurement process. It seems that the country is teetering on the edge of an abyss and farmers staring into a bottomless pit. One push and there is no coming back.

As per Section 2 of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, the Central Government has created an electronic trading and transaction platform, which will facilitate the online buying and selling of the farm produce. Two types of trades have emerged from this. First, "inter-state trade", which means the act of buying or selling of produce by a trader of one state from a farmer or a trader of another state. In other words, the state boundaries have been rendered irrelevant. Second, “intra-state trade”, which means the produce is bought or sold within the boundaries of a state where the crops are produced.

In the inter-state trade, a “trade area” does not include grain markets, market yards and purchase centres established under the state laws. The definition of a “trade area” has been changed. It is a place where the crop is produced, stocked, including farm gates, factory premises, warehouses, silos, cold storages and any other place recognised by the government. All these trade areas are located in big farms in developed nations. It seems that India has tried to copy the system prevalent abroad without giving much thought to it.

If the APMC markets are not trade areas, the government as a buyer of farm produce is out of it. In this scenario, who is the buyer? Only the electronic trader. If a trader from outside procures half of the produce of a village, where will farmers go with the other half? Markets in their current form are no more the purchase centres, while the government and its agencies are no more buyers who will purchase the remaining produce.

The Farmers’ Produce Trade and Commerce (Promotion and Facilitation) Act, 2020, is not only anti-farmer, but is also devastating for the agricultural sector.

IS LITIGATION RELATED TO PAYMENTS A BURDEN ON FARMERS?

As per the new laws, the traders, after having lifted the produce, will give the farmers delivery receipts, mentioning that the payment will be made the same day. If the farmers do not receive the payment within three days, they can submit a complaint to the Sub-Divisional Magistrate (SDM), who has to decide the matter within a month. Here, it must be noted that SDMs are unable to decide pending matters. In case the SDMs don't decide the matter or take a decision against the farmers, the latter can appeal to the Collector. Put simply, farmers will get entangled in a new round of litigation. By the time the SDM would decide the matter, the produce would have reached somewhere else. The SDM's decision will be on a par with that of the civil court and it has to be enforced by an onerous process of execution of a civil court decree. How will a small farmer get a trader's property, which would be located in another state, auctioned off to realise his pending payment? That's the big question.

The Centre should have made a rule that the produce would not be lifted till the time payment has not been made. Generally, goods are delivered after having made the payment. Lifting the farmers' produce before paying for it is a violation of the market rules and entangles farmers in unnecessary litigation. How can a farmer with limited resources fight a court case against a rich trader? And why should he be entangled in such litigation? It would not be feasible for the farmers to visit civil courts because the judicial rigmarole, such as filing cases, paying court fees, and testifying in courts, is a time-consuming process.

A "trader" is defined as (1) an individual, (2) a partnership firm, (3) a company, (4) a limited liability partnership firm, (5) or a cooperative society or any other society. Buyers can procure the farmers' produce online as electronic traders. The catch is that their information, such as office addresses and details about their businesses, will be unavailable and won’t be divulged. No wonder bogus companies, firms and societies have cropped up.

Suppose a limited liability partnership (LLP) or a company based out of a foreign country cheats a farmer in India. What action can the Indian Government take so that the company pays up? If an Indian partner is an **invisible person**, who is responsible? In this way, fake companies and firms can cheat farmers. What can an SDM do against them?

The LLP can be formed by two or more individuals, companies or associations of a foreign country. Sitting abroad, they can form an LLP in India by including an Indian partner. He can be a person with assets or even a rickshaw-puller. The LLP falls within the definition of a “person”, the trader, who cannot be caught. Just as in the case of the Bhopal gas tragedy, the government could not punish the foreign company.

CONTRACT FARMING ACT

The title of the legislation concerning contract farming is attractive. It is titled Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020. This law is neither going to empower farmers nor protect them nor assure remunerative prices. A careful reading of the Act makes it clear that it is another "jumla" of the Central Government.

1. Constitutionally speaking, the Centre does not have the power to enact this Act. Entry 33 in List-III (concurrent list) of the Seventh Schedule in the Constitution does not apply to this legislation. The law is related to agriculture, not to trade and commerce. Entry 14 of the state list gives power to state governments, not the Centre, to make laws related to agriculture.

2. According to Article 254 of the Constitution, if the Parliament makes any law, which the "Parliament is competent to enact", and that law is in the concurrent list (Seventh Schedule), which contains subjects of common interest to both the Union as well as the states, that law will be applicable to the states. However, the law related to contract farming is not part of the Entry 33 of the concurrent list.

3. This law is a direct attack on the federal structure of the country. Section 16 of this Act states, "The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for the effective implementation of the provisions of this Act and the State Governments shall comply with such directions." By this, state governments have been brought under the command of the Central Government, which goes against the federal structure of our country. The Central Government considers itself as the master and state governments as its subordinates. This subjugation will not be, and should not be, acceptable to state governments.

4. Section 2 of the Act talks about "farm services", which means a trader who enters into a contract with a farmer, will provide him with seed, feed, fodder, agro-chemicals, machinery and technology, advice, non-chemical agro-inputs and such other inputs. Section 9 states, "A farming agreement may be linked with insurance or credit instrument under any scheme of the Central Government or the State Government or any financial service provider to ensure risk mitigation and flow of credit to farmer or Sponsor or both."

5. If a trader takes a loan under a government scheme on behalf of a farmer and fails pay off the debt, the farmer will be liable to repay the loan. To ensure repayment, the bank can keep the farmer's land as security. In other words, the farmer can even lose possession of his land while paying off a trader's debt.

6. According to Section 14 (7) of the Act, the amount payable under any order passed by the SDM may be recovered as arrears of land revenue under Section 67 of the Land Revenue Act. As per Section 67 of the Land Revenue Act, arrears of land revenue may be recovered by arresting the debtor, selling off his movable assets or standing crop, transferring the landholding in respect of which arrears are due, auctioning off the landholding and property, selling off tractor-trolley and cattle, and selling off landholding in respect of which arrears are due.

7. The Central Government claims that the landholding will not be taken on lease nor sold. This is nothing but a hollow promise.

8. The quality of the produce will find a mention in the contract. The harvested crop will be tested in a laboratory. If the produce does not conform to the "mutually acceptable quality" or has traces of insecticides, the trader can refuse to buy the produce. It should have been mentioned in the Act that if a farmer has sown the seed provided by a trader and the former has taken care of the crop as per the directions of the trader, the trader has to buy the produce.

9. It is impossible for a small farmer to adhere to the terms and conditions of the contract mentioned in Section 4. The Act states that the farmers' produce must

adhere to certain grade, quality, grain size and colour. It must not have traces of insecticides. Food safety standards, good farming practices and labour and social development standards may be adopted in the farming agreement. Another condition which will be incorporated in the farming agreement is that “mutually acceptable quality, grade and standards will be monitored and certified during the process of cultivation or rearing, or at the time of delivery, by third party qualified assayers to ensure impartiality and fairness”.

10. The price to be paid for the farmers’ produce will be mentioned in the farming agreement. It will be based, not on the MSP, but on the price prevalent in different markets and decided by electronic trading. The Central Government’s claim that the MSP was, is and will remain is a lie. It rather seems that the MSP has been abolished.

11. According to Section 7 (2), the farm agreement will not define the quantity of produce that a trader can stock. He can stock as much quantity as he wants. The government will have no control over him.

12. State laws relating to grain markets will not be applicable on the farming agreement signed under this Act. In case of a dispute, the Act envisages that every farming agreement will provide for a conciliation board, which will make efforts to settle the dispute. If the agreement does not contain a clause for conciliation, the Sub-Divisional Magistrate (SDM) acting as the Sub-Divisional Authority will form a board to resolve the matter. If the conciliation board fails to resolve it, the SDM will settle the dispute in a summary manner within 30 days of the date of receipt of the dispute. His order will be on a par with the decree of a civil court and be enforceable in the same manner as that of a decree under the Code of Civil Procedure, 1908. The implementation of the order is a long and cumbersome process. Moreover, the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act bars the jurisdiction of civil courts in entertaining disputes for execution. The jurisdiction of a civil court

decree will be limited to the area where the trader lives or owns property. For example, the jurisdiction for the execution of a decree against a Mumbai trader, who bought agricultural produce from Punjab or Haryana but has assets in Mumbai, would be Mumbai and not the place where the civil court passed the decree. Would it be possible for a farmer to pursue the matter in Mumbai or some other place and get the trader's property auctioned off? If the trader is a foreign company that does not own assets in India, would it be possible to arrest the company officials or implement the Land Revenue Act on the firm? Small farmers will be left to fend for themselves.

If we start analysing each and every section of this Act, more shortcomings will come to fore. The government's claim that there are no lacunae in the farm laws and that the legislations are in favour of farmers have been proved wrong.

HOW ENTRY 33 CAME INTO BEING?

Notwithstanding anything contained in the Constitution, the Parliament shall, during a period of five years from the commencement of this Constitution, have the power to make laws with respect to the following matters, as if they were enumerated in the concurrent list: (a) trade and commerce within a state; (2) production, supply and distribution of cotton, woollen textiles, cotton seed, foodstuff, including edible oil and oilseeds, cattle fodder, oil cakes, coal, iron, steel and mica.

Any law made in exercise of powers under Article 369 of the Constitution, regarding which the Parliament, otherwise had no power to make, for want of an entry of this regard in the concurrent list, shall come to an end after the expiry of five years.

In case of offences against the laws with respect to any of the matters listed above, Article 369 provided for deciding the jurisdiction and power of courts, except the Supreme Court.

In 1954, the Central Government had thought that before the expiry of the 1946 Act, a law should be made by using the provisions of the Article 369 that would remain in force in states even after five years. The Constitution needed to be amended for this. A Bill was drafted and according to this Bill, Entry 33 was added to the List-III (concurrent list). With this, the Central Government got the power to make laws related to trade and commerce. In 1954, Entry 33 was added to the concurrent list by way of third amendment to the Constitution. To implement the amendment, the Bill passed by the Parliament needed an approval from at least half of the legislatures. This may have been a time-consuming process. Therefore, an ordinance was promulgated. When half of the states ratified the amendment to the Constitution, Entry 33 became part of the concurrent list, empowering the Centre to also enact laws related to trade and commerce, and other matters mentioned in Entry 33. This is in spite the fact that agriculture, agricultural education and research, pests and plant diseases are state subjects. These items are mentioned in Entry 14 of the List-II (state list). Till date, there has been no legal fight on this matter.

Entry 33 has two components. (1) to make laws related to the production, supply and distribution of essential commodities, and to implement them in letter and spirit; (2) trade and commerce of essential commodities.

The word “foodstuffs” mentioned in Entry 33 includes edible oil, oilseeds, cattle fodder and cotton.

List-II of the Seventh Schedule includes state subjects. Entry 14 of List-II (state list) mentions agricultural research and education, pests and plant diseases. Entry 18 mentions rights in or over land, land tenures, rents, transfer of agricultural land, agricultural loans, etc.

The Central Government reasons that Entry 33 is applicable because trade and commerce is not mentioned in Entry 14. If this is the case, what is the definition of agriculture? According to the Merriam-Webster dictionary, “agriculture” is defined as “the science, art, or practice of cultivating the soil, producing crops, and raising livestock and in varying degrees the preparation and marketing of the resulting products”.

Now, the question arises — what is the difference between cereals, foodgrain and foodstuff? According to the dictionary, a “grain” is a “single small hard seed” such as the grain of wheat or mustard, etc.

Foodstuffs are made from grains or foodgrains. For example, chips are a foodstuff as distinguished from foodgrain. Similar is the case with flour and wheat. Every grain of wheat is a seed. When it is grinded, it becomes a foodstuff.

Entry 33 in its current form lays down items on which the Centre can also make laws.

“33. Trade and commerce in, and the production, supply and distribution of:

(a) the products of any industry where the control of such industry by the Union is declared by Parliament by law to be expedient in the public interest, and imported goods of the same kind as such products;

(b) foodstuffs, including edible oil seeds and oils;

(c) cattle fodder, including oilcakes and other concentrates;

(d) raw cotton whether ginned or unginned, and cotton seeds; and

(e) raw jute."

The Central Government as well as the states can make laws on the above-mentioned items.

It becomes clear that there is a difference between foodgrain and foodstuff. Foodgrain cannot be eaten directly.

Though the Gujarat High Court and the Supreme Court in one of their judgments have considered "foodgrain" as part of "foodstuff", the two words are different in the dictionary. A decisive debate on this topic is inconclusive.

WHY FARMERS ARE NOT ACCEPTING AMENDMENTS TO FARM LAWS?

Because the Central Government doesn’t have the constitutional authority to make laws on food grains and agriculture mentioned in Entry 14 of the State List-II and Entry 33 of the concurrent List-III. If farmers accept amendments to these laws, they will be accepting the Centre’s authority to enact laws on subjects specified in Entry 14 and Entry 33.

The Central Government wants to suspend the laws for two or three years. If farmers accept the demand, it will pave the way for the Centre to make laws of its own volition. The intervention of state governments will be reduced to nil. This is a ploy. Even the Central Government has admitted to shortcomings in the three laws. That is why it is recommending amendments. If there are numerous lacunae in the laws and the Centre does not have the constitutional power to make these laws, why can’t these legislations be revoked?

BOTH LAND AND AGRICULTURE IN DANGER

It is for the second time that foreign countries have welcomed Indian laws. In 2006, the Limited Liability Partnership Act was enacted, replacing the Indian Partnership Act, 1932, on the recommendation of the Ramesh Chandra Committee. According to this Act, every limited liability partnership, comprising at least two individuals, traders or trading companies based abroad, can form a limited liability partnership and trade in India. At least one of the partners has to be a resident of India. The term "resident in India" means a person who has stayed in India for a period not less than 182 days during the immediately preceding one year.

When this Act was enacted, an organisation in North America had openly said that it was an opportunity for foreign companies to trade in India. The Act had opened doors to India, it had said.

It became difficult to bring to book foreign companies committing frauds or other offences, more so because India was not a financial power. The Bhopal gas tragedy is a case in point. To date, the owners of the Union Carbide plant have not been punished for the thousands of deaths because of the gas leak.

On January 1, 2021, Hina Alam wrote in "Toronto Star" that the big corporations in Canada had welcomed the three new agricultural laws because the legislations had opened up the agricultural market in India.

Shashi Enarth, an adjunct professor at the University of British Columbia's Institute for Resources, Environment and Sustainability, has said a freer market in India would help corporations and countries that see it as a destination to sell and buy produce.

As the Indian government is hell bent on abolishing the MSP regime which will drive down the prices of farmers' produce, Canada will get an opportunity to sell its produce in India. This will be made possible because the three agricultural laws do not provide for tariffs on agricultural imports to India. Raji Jayaraman, an associate professor at the University of Toronto, says the three laws would indirectly benefit foreign exporters. She says, “If Indian agricultural corporations exert their market power, then the new laws might result in lower prices received by farmers and higher prices paid by consumers for agricultural commodities. Ironically, this may help Canadian farmers who are able to sell their products to the Indian market more cheaply.” This can be made possible by Indian corporations because the new laws empower them to procure, distribute, export and stock the farmers’ produce.

Big corporations, whose market reach is across the world, has set their eyes on foodstuff as it will be the most profitable domain in the coming years. Two-thirds of the Earth’s surface is occupied by oceans. Mountains, rivers and forests also occupy some part of the surface. Very little is left for agriculture and that too is shrinking gradually because of the housing need of the constantly increasing population. In 20 to 30 years, the demand for food items will shoot up. Corporations that will have direct or indirect control over agricultural land will dominate world economy.

In this context, the example of Bill Gates, who is the co-founder of Microsoft, will help in examining the scenario. John Williams, in a YouTube video, says that Gates has bought nearly 2.5 lakh acres of agricultural land in the US, stretching over 18 states. According to Williams, 25,000 acres have been bought in Arizona, 45,000 acres in California, 16,000 acres in Washington, 9,200 acres in Idaho, 2,200 acres in Colorado, 20,000 acres in Nebraska, 46,000 acres in Arkansas, 17,140 in Illinois, 70,000 acres in Louisiana and 15,000 acres in Florida.

According to a 2018 survey by Land Matrix, 9 per cent of the agricultural land is used for food production and 38 per cent of the area is intended for non-food crops.

The corporate sector bought 26.7 million hectares of farmland across the world between 2000 and 2018. The land was bought in Congo, Sudan, Mozambique, Ethiopia and Central African Republic, where the governments were weak. Land was bought along rivers so that river water could be used for irrigation. In recent years, Saudi Arabian companies have acquired millions of acres of land in foreign countries to produce food and ship back home. It is so because Saudi Arabia lacks water for irrigation and its land is unfit for farming. This trend of overseas contract farming is catching up fast in India and has the full backing of the Central Government.

Bill Gates is also investing a lot in the meat sector, and not because he is interested in scaling up meat production. His intention is to shut the meat market, gain complete control over food production and foodstuff, patent genetically modified seeds, grab the seed market and prepare lab-grown food. Simply put, Gates will dictate food habits of people and then sell foodstuff made by his companies.

Corporate houses across the globe are moving in this direction. They have now set their sight on the Indian agricultural sector. The intention is to take over the farm sector. To this end, corporations will either forge a partnership with local corporates or work alone. The Indian Government and companies are helping the global corporations in their endeavour.

The Indian corporate sector wants (1) a free market, (2) no regulation, and (3) exemption from paying taxes or tariffs. The Indian government has done just that in the new agricultural laws. The government is not sensitive to the emotions, pain and difficulties of lakhs of farmers protesting peacefully against the new laws for months at the Delhi borders. Its priority is to benefit corporate houses, who want to grab farmland and take over food production.

In 2000, the Indian Government had acquired thousands of acres of land in different states to set up Special Economic Zones (SEZs). As per the SEZ Act, the SEZ area is deemed as a "foreign territory" and any production within the zone is treated as foreign production. The SEZs are outside the "customs territory of India". The movement of goods from SEZ to any other part of India and vice-versa amounts to imports into and exports from India, respectively.

Corporate houses were free to choose land for constructing an SEZ. They would evince interest in a particular tract of land and the government would do the rest. It would acquire land from farmers at collector rates or the average rate prevalent in a particular area. This is how thousands of acres of agricultural land in areas adjoining Delhi and Haryana were given to corporate houses. However, neither SEZs were developed nor factories built nor industrial activity started. This land had been bought for peanuts.

When it was brought to the notice of the Punjab and Haryana High Court that the SEZ land was being used for agriculture, and not for industrial activity, the HC questioned the Central Government in this regard. Instead of taking back land from the corporations and returning it to farmers, the Centre introduced an ordinance and later passed a law, which was to be implemented retrospectively, to circumvent the situation. According to this law, if any industrialist has acquired land for an industrial activity and filed for the change of land use (CLU) certificate, that tract of land will not come under the purview of the Land Reforms Act. Even the Punjab Government took such measures.

Big traders intend to have complete control over the agricultural sector and the new agricultural laws are a step in that direction. This is the reason the Centre is adamant on not revoking the laws. For the powers that be, farmers' agitation is a futile exercise. It must be understood that such legislations are not framed by governments. It is the corporate sector that dictates terms to the government and gets black laws passed. Introducing such laws can be termed as "payback" to corporates who fund political parties during elections.

Before the farmers' protest, the government was under the impression that it was on a sound footing riding on the back of divisions created among people on the basis of religion and caste. The agitation has shattered the government's perception. It is for the first time that any agitation has gone beyond the religious divide and created a class consciousness among the masses. Now, every farmer treats another farmer as such, and so is the case with the poor. There is no distinction on the basis of caste or religion. Our path is one, our goal is one. This type of consciousness can lead to a fundamental change in India.

FORMATION OF IMF

In 1944, when the US, England, France and Soviet Russia were sure of defeating Japan, Italy and Germany in the Second World War, representatives of 44 nations met at New Hampshire in the United States to discuss a framework for the post-war international economic cooperation. Soviet Russia did not participate in the subsequent discussions.

The representatives of 44 nations signed the Bretton Woods Agreement, which paved the way for two institutions. One of them was the International Monetary Fund (IMF), which came into existence on July 22, 1944. It was a platform to resolve international disputes concerning global capital. One of its objectives was to promote international trade and ensure economic stability to exchange among member states.

However, its hidden objective was to create a system of payments so that the restrictions on foreign exchange were eased. It was a ploy to make the US dollar a medium of exchange at the global level.

Each member country was assigned a quota that reflected the country's relative size in the world economy. The members were required to pay subscription fee according to their quotas. Twenty-five per cent of the subscription fee was to be paid in gold or US dollar and the rest in local currency, the value of which was pegged to the US dollar. The member countries, according to their quotas, could buy foreign currency from the subscription fund. A single unit of quota was for 1 lakh US dollars. Each member's quota also determined its relative voting power. For example, Australia's quota at that time was 200, Canada 300, China 550, France 450, India 400, Mexico 90, Saudi Arabia 100, England 1,300, United States 2,750 and Russia 1,200. The Russian government had refused to approve the Bretton Woods Agreement, saying that the accord would facilitate the economic institutions on the Wall Street, New York.

The Bretton Woods System required that par value or exchange rate of every member country be pegged to gold or the US dollar.

No member was supposed to buy or sell gold at a price more or less than the par value of gold. There was a margin of price variation (a “band”), but it was pre-determined.

If any country requires its currency, which has been given in the form of membership fee, it has to give gold in exchange for the currency.

To manage the IMF affairs, members elect a Board of Governors for five years. Each member’s voting power is based on its quota.

Every member country has to inform the IMF about its (1) gold reserves, (2) US dollar reserves, (3) quantity of gold production, (4) the quantum of export and import of gold, (5) export and import of goods, and (6) an account of balance of payments. In other words, the IMF must be privy to the internal information of a country.

The IMF sets the rules for international trade, and member countries are bound to adhere to the regulations. The US and its allies have been calling the shots in the IMF, thanks to the quota system. (3)

FORMATION OF WORLD BANK

With the US dollar becoming the medium of exchange in international trade, the Bretton Woods Agreement of 1944 established the authority of the Federal Reserve Bank in the world. On July 22, 1944, IMF members decided to establish the International Bank for Reconstruction and Development, commonly known today as the World Bank. Its founding members were the same as that of the IMF. The World Bank's initial stock was 10 billion dollars, which was divided into 1 lakh shares with each having a value of 1 lakh US dollars. The IMF member countries were given the right to buy shares as per their quota. The payment for membership shares was to be made in gold or the US dollar. (4)

BANKS' CONTROL OVER GLOBAL ECONOMY

The question is how the IMF and the World Bank have impacted the global economy. To understand this, it is important to understand a statement by Rothschild brothers. In a written message to their associates in New York, the Rothschild brothers of London had said:

"The few who understand the system will either be so interested in its profits or be so dependent upon its favours that there will be no opposition from that class, while on the other hand, the great body of people, mentally incapable of comprehending the tremendous advantage that capital derives from the system, will bear its burdens without complaint, and perhaps without even suspecting that the system is inimical to their interests."

Is it still true?

With the US dollar becoming the medium of exchange for global trade, countries across the world, expect for a few, were made to peg their currencies to the dollar, making them economic slaves to the United States. In all, 44 countries had signed the Bretton Woods Agreement in 1944. Later, more countries accepted the US dollar as the medium of exchange. Among them were Iran, Syria, Lebanon, Somalia, Sudan and Iraq. Russia was not part of it. It was necessary to have US dollars if one wanted to buy something in any country.

The Federal Reserve Bank of the US printed dollars and exchanged paper currency for gold or silver. A few countries raised a valid point: we accept paper currency in exchange for gold or silver but what is the guarantee that in the time of need we would get gold at the value of the US dollars. To address this concern, the US linked the dollar to gold at the rate of 35 dollars per ounce. It meant that any country having 35 dollars would get 1 ounce (30 gm) of gold. This was the rate of gold prevalent in the US as on July 1, 1944.

As the years rolled on, the US dollar became supreme, becoming the global reserve currency. But the US stagflation in 1971 prompted runs on the US dollar. In 1970, when France realised its US dollar reserves had reached proportionate levels, it asked the United States to take back the dollars in exchange for gold as had been guaranteed. The US, however, knew its gold reserves were not even one-tenth of the currency it that had printed. To wriggle out of the situation, US President Richard Nixon ended international convertibility of the US dollar to gold in 1971. It meant that US dollar was no longer backed by gold.

PETRO DOLLAR

With the dollar removed from the gold standard system, the United States had to bolster confidence in its currency. It had to give an alternative. If not gold, what else? So the United States forced Gulf nations to price oil in US dollars. It is so because some countries, who were not signatories to the Bretton Woods Agreement, were selling oil in currencies of their choice. The United States guaranteed military support to Gulf nations on the condition that they would sell oil in exchange for the US dollar. Another condition was that the Gulf nations would either deposit the dollars in US banks or invest in the US.

Iraq, Iran, Libya and some other countries refused to bow down to this condition. Saddam Hussein of Iraq decided to export oil in exchange for Euro. Iran priced its oil in Chinese yuan and Libya sold oil in exchange for dinar. Libya minted a gold coin, which it named as gold dinar. It became more popular than the US dollar. This is the reason Iraq and Libya were attacked and destroyed. Now, it is Iran's turn.

Who are the hidden forces behind these geopolitical manoeuvres and how they operate? In lieu of a response, we can identify a few trends which are as follows:

1. The corporates control several banks, including the Federal Reserve Bank.
2. About 80 per cent of the world money is deposited in these banks.
3. The policy of these banks is to push people deep into debt.
4. Banks want each of its customers to have a credit card so that they buy household items on credit. The purpose is to make people habitual of buying goods on credit. When customers are unable to pay back the credit amount, banks charge exorbitant interest rates.
5. Burdened with mounting debt, people will rise in protest against their government. In this scenario, the government will ask for credit from banks, who

will readily lend to the government. In exchange, banks will force the government into framing policies favourable to banks.

6. If any government or head of government refuses to accede to the demand, banks can manoeuvre a coup or get the head of government, king, Prime Minister or President murdered.

Saddam Hussein of Iraq and Gaddafi of Libya suffered this fate. There are several examples from other countries.

Michael Rivero, author of ‘All Wars Are Bankers’ Wars’, claims the corporate sector in the US had attempted a military coup. Major General Smedley Butler, a popular United State Marine Corps officer, was incited to lead the coup and overthrow President Franklin D Roosevelt and install in his place the Secretary of General Affairs, who would be answerable to the Wall Street. The back story of the attempted coup was linked to the New Deal enacted by Roosevelt during his first term as President. The New Deal was a series of public works, which included new constraints on the banking sector, relief programmes for employees and workmen, and reforms in the agriculture sector. Affronted by such measures, bank owners wanted Roosevelt out.

At first, General Butler played along with the plan of the corporates but, later, he exposed the plot to a congressional committee. The coup was foiled, but Roosevelt could not take concrete action against individuals involved in the conspiracy because they wielded influenced in the corridors of power. It was during the Second World War that Roosevelt, with the help of officials, could take action against some of the conspirators.

General Butler describes his bitter experience in the Marine Corps as such, “I spent thirty-three years and four months in active military service as a member of this country’s most agile military force, the Marine Corps. I served in all commissioned ranks from Second Lieutenant to Major-General. And during that period, I spent most of my time being a high-class muscle man for Big Business, for Wall Street and for Bankers. In short, I was a racketeer, a gangster for capitalism. I suspected I was just part of a racket at the time. Now, I am sure of it. Like all the members of the military profession, I never had a thought of my own until I left the service. My mental faculties remained in suspended animation while I obeyed the orders of higher-ups. This is typical with everyone in the military service. I helped make Mexico, especially Tampico, safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped purify Nicaragua for the international banking house of Brown Brothers in 1909-1912. I brought light to the Dominican Republic for American sugar interests in 1916. During those years, I had, as the boys in the back room would say, a swell racket. Looking back on it... I operated on three continents.” (Source: “War is a Racket”)

ITO'S STILL BIRTH

In 1945, the US Congress had granted then President Harry S Truman the authority to negotiate with its war-time allies an agreement that would pave the way for an international trade institution. Its founding document, which came to be known as the Havana Charter, provided for the establishment of the International Trade Organisation (ITO). Its basic principle was "Thy neighbour a beggar". The Charter had the approval of the US executive, but not of the US Congress. Therefore, the ITO never came into being. However, it the sowed seeds for another organisation.

It must be pointed out that in 1920, a year after the First World War ended, the League of Nations was established, thanks to the efforts of the then US President Woodrow Wilson. But the United States was not part of it because the US Senate did not ratify it.

FORMATION OF GATT

By 1948, Truman, by using his executive powers, had the authority to negotiate international agreements without taking the approval of the US Congress. Emboldened, he started to negotiate another international agreement with other countries. It was called the General Agreement on Tariffs and Trade (GATT). It meant that there was a general consensus on the volume of trade and the quantum of taxes to be levied. Initially, 22 developed countries signed the agreement. The task before them was to forge cooperation among poor and developing countries and those still under dictatorship or colonies of imperialist powers. John H Jackson, William Davey, and Alan O Sykes give a detailed account of this in their book on legal problems concerning international economic relations. (5)

Developed nations were of the view that if all countries were made signatories to the GATT, their influence in international trade would reduce and they would not be able to trade on their terms. On one hand, industrialised countries wanted to set the terms and conditions for international trade that would safeguard their interests and, on the other, developing nations strived for a new global trade order and sought a few concessions.

Professor Jackson in his book titled "World Trade and The Law of GATT" saw this as free trade versus protectionism, and internationalism versus sovereignty. Developed countries wanted to impose restrictions on less developed ones through a separate international institution. Less developed countries were opposed to this. They instead demanded that their interests must be safeguarded.

In 1955, Article 18 was introduced into the GATT, allowing developing countries to impose taxes or tariffs on imports if (1) their industry was in a nascent stage, (2) a specific industry was under planning, (3) there were balance-of-payments difficulties or (4) the economy was still developing and the standard of living was low.

These conditions were simply unacceptable to developed countries. They were outrightly against the scenario where developing or under-developed nations would impose tariffs on finished goods imported from developed economies even if it adversely affected the local processing industry.

For example, a developing country exports coffee beans (raw materials) to a developed one, which, in turn, processes the beans and makes coffee, packs it in jars and then exports it back to the same developing country. Now, the developing country cannot impose tariffs on coffee jars. Same is the case with beauty products and perfumes. Developing nations took the plea that they could not spend foreign currency on imported products because of balance-of-payments difficulties. To this, developed nations made it amply clear that there could be no restriction on imports on the pretext of balance of payments because it was the internal problem of a country.

WHY DID GATT FAIL?

In 1934, the then US President had the authority to negotiate with other countries on trade agreements that would pave the way for an international organisation which would have reduced or eliminated tariffs. The International Trade Organisation (ITO) was the US' best bet to serve its purpose. But as it turned out, the ITO could not be established. The GATT was more of a compulsion for the US. Why so? One, it was a comprehensive agreement involving all countries. Two, it allowed Germany to become stronger industrially and economically — an unfavourable situation for the US that wanted to reign supreme in the global economy. Had the ITO been formed, the US would have achieved its goal; but this was not possible under the GATT.

After the US Congress had, in 1945, extended the duration of the Reciprocal Trade Agreements Act (RTAA), the Economic and Social Council (ECOSOC) was formed. It is one of the organs of the United Nations (UN). In 1946, the US prepared a trade and employment charter that was submitted at a conference in London. In the charter, the ITO was proposed to be the principal organisation for international trade, while the GATT was considered a part of it. The GATT was deemed to be a simple agreement, and not an institution. In 1948, the authorisation granted to the US President under the RTAA to negotiate trade agreements with other countries expired. The US Congress did not approve the establishment of the ITO. Left with no option, the United States had to sign the GATT.

On January 1, 1948, the GATT was implemented. In all, 23 countries had signed the agreement. Till 1986, 38 years after the GATT came into force, only eight rounds of talks took place. Because of the shortcomings and lacunae in the GATT, the World Trade Organisation (WTO) was established in 1995.

One of the shortcomings of the GATT was the so-called "grandfather rights" granted to a few developed countries. Though the "grandfather rights" were provisional in nature, these continued to be in practice till the time GATT remained in force. Second, the process to amend the agreement was so cumbersome that it was almost impossible to effect changes. Third, the dispute settlement system was slow. Some countries had bilateral agreements which were against the GATT principles. The GATT was not a single agreement, but a collection of 200 agreements.

FORMATION OF WTO

During the Tokyo Round (1973-79) of GATT negotiations and the Uruguay Round (1986-94), the talks focussed on the futility of the GATT in addressing the concerns of developing countries. The need for an international institution, and not an agreement, was felt. As a result, the World Trade Organisation with 160 members represented 95 per cent of the global trade. Its top decision-making body is the Ministerial Conference. The 11th Ministerial Conference took place in December 2017.

After the decision to end the GATT system had been taken and before the WTO was created — in 1994 to be precise — India had signed the Agreement on Agriculture (AOA) without giving much thought to it. The AOA came into force with the formation of the WTO on January 1, 1995. Under the WTO system, member countries were classified into three "boxes" — green, blue and yellow.

Developed countries were included in the green box. These countries were exempted from reducing subsidy on agricultural production.

Countries where restrictions on agricultural production could be imposed were placed in the blue box. Besides, subsidies on production could also be reduced.

The yellow box comprised countries where the quality of agricultural production needed to be improved.

Subsidies in countries classified blue and yellow were to be regulated or reduced. No such condition applied to countries in the green box. This is the reason a few developed countries are doling out high subsidies. For example, the US and Canada give 80 per cent subsidy to the agriculture sector, Japan 50 per cent, Norway and Switzerland 60 per cent.

The area of the US, Canada and Australia, which are among the developed member countries of the WTO, is three times that of India. As for the population, there are 33-crore people in the US, 3.6 crore in Canada and 2 crore in Australia. The number of consumers is fewer than agricultural production in these three countries. This explains why the developed countries want to export their foodgrain and foodstuffs. This also explains why developed countries want all trade barriers removed when their products are exported to less developed countries. The only solution before developing countries is to impose taxes and tariffs so that the price of domestic goods and grains do not fall. Developed countries want free trade, while 33 developing member countries of the WTO, including India and China, are opposed to it. At one time, India was the leader of the 33 countries.

The AOA restricted government procurement of the agricultural production to 10 per cent. India, being one of the signatories to the agreement, is bound to adhere to the condition of procuring not more than 10 per cent of the total value or weight of agricultural production.

During the Uruguay Round of negotiations in 1994, India had relied on in the price levels during the period 1986-88 (which has been identified as the 'base period' for the agreement) while signing the AOA, failing to understand the formula of the Third Schedule. Developed countries are forcing India to adhere to the terms and conditions of the AOA since it is a signatory to the agreement.

Unfortunately, our politicians fail to understand the reason for the warm welcome they receive when they visit the US. Indian Prime Minister Sh. Narendra Modi had received a rousing reception in 2014 in the US. Before his visit, the US had impressed upon the Prime Minister to implement the terms and conditions of the TFA, which includes ending all farm subsidies, stopping government procurement and promoting free trade. The Prime Minister assured the US that by 2019, he would create "conducive environment" for the implementation of TFA's (Trade Facilitation Agreement) conditions. The consequences, which are not hard to guess, will be devastating.

INDIA CONCEDES WTO

US trade representative ambassador Michael Forman released a statement on 11/3/2014, welcoming the agreement between the US and India, for the implementation of WTO's Trade Facilitation Agreement (WTA), admitting that there was a group of countries led by India, not accepting the agreement on agriculture. This statement runs as under:

"An year ago at the WTO ministerial conference held in Bali, RWT members, including the US and India, celebrated the achievements of the TFA and the broader package of measures addressing concerns of all WTO members. Efforts to put the TFA in place were dealt a setback when in July, a small group of countries led by India raised concerns about the status of the WTO work on food and food security issues and blocked consensus on implementation of the TFA. We have overcome the delay and now have an agreement with India to move forward with full implementation."

(The statement of the ambassador is on Last page...(appendix)

The WTO agreement on agriculture contains provisions in three broad areas of agriculture, including market access, domestic support and export subsidies.

The market access includes tariffication, tariff reduction and access opportunities.

Tariffication means that all tariff boundaries such as quotas, variable levies, minimum support prices, discretionary licenses, state trading measures and voluntary trade restrain agreements need to be abolished.

This is what, Indian Prime Minister Shri Narendra Modi conceded during his first visit to the US. The implications of which include:

1) Open the Indian market to developed countries for the sale and purchase of agricultural products in India.

2) Tariff or reduced tariffs on imports of agricultural products from developed countries

3) To abolish minimum support price

4) Introduction of DBT (Direct Benefit Transfer), which means India does not need to procure foodgrains for food security. India should create the Direct Benefit Transfer (DBT) system, which means depositing some amount in the accounts of the consumer, closing down the Public Distribution System, stopping the distribution of food stuffs on ration cards and leaving the consumers at the mercy of the market to purchase whatever they need from the corporate-controlled markets.

The WTO is imposing such conditions on India which will have devastating consequences for its citizens.

v. Imp.

Statement by Ambassador Froman on U.S. - India WTO Trade Facilitation Agreement

11/13/2014

Washington, D.C. - U.S. Trade Representative Michael Froman released the following statement welcoming an agreement between the United States and India on elements aimed at unlocking progress at the World Trade Organization (WTO).

The agreement announced today between the United States and India paves the way for full implementation of the WTO's Trade Facilitation Agreement (TFA), the first multilateral trade agreement to be concluded in the history of the WTO. The agreement also reflects shared understandings regarding the WTO's work on food security.

"A year ago at the WTO Ministerial Conference held in Bali, all WTO Members, including the United States and India, celebrated the achievement of the TFA and a broader package of measures addressing concerns of all WTO Members. Efforts to put the TFA in place were dealt a setback in July, when a small group of countries, led by India, raised concerns about the status of the WTO's work on food security issues and blocked consensus on implementing the TFA. We have overcome that delay and now have agreement with India to move forward with full implementation."

"With the WTO confronting a mounting crisis of confidence, President Obama and Prime Minister Modi held productive discussions on this issue, including during the Prime Minister's visit to Washington in September. In recent days, officials of both governments worked intensively and reached an agreement that should give new momentum to multilateral efforts at the WTO. In doing so, the United States and India reaffirm their joint commitment to the success and credibility of the WTO.

"On the basis of this breakthrough with India, we now look forward to working with all WTO Members and with Director-General Roberto Azevedo to reach a consensus that enables full implementation of all elements of the landmark Bali Package, including the Trade Facilitation Agreement."

"This has been a good week for trade and the growth and jobs it supports here in the United States. The U.S. worked with China to achieve a breakthrough on the Information Technology Agreement, worked with India to move forward with the implementation of the Trade Facilitation Agreement, and worked with our TPP partners to bring the end of these landmark negotiations clearly into sight. Together, these will provide a major boost to the global trading system at a critical time in the world's economic recovery, a central focus of the upcoming G-20 Summit."

To learn more about the U.S.-India agreement on Trade Facilitation, please click here.

MINIMUM SUPPORT PRICES

(According to Crop Year) (As on 26.12.2012)

(Rs. per quintal)

Sl. No.	Commodity	Variety	2008-09	2009-10	2010-11	2011-12	(#) increase in MSP 2011-12 over 2010-11	2012-13	(#) increase in MSP 2012-13 over 2011-12
	KHARIF CROPS								
1	PADDY	Common	850$	950$	1000	1080	80(8.0)	1250	170(15.7)
		Grade 'A'	880$	980$	1030	1110	80(7.8)	1280	170(15.3)
2	JOWAR	Hybrid	840	840	880	980	100(11.4)	1500	520(53.1)
		Maldandi	860	860	900	1000	100(11.1)	1520	520(52.0)
3	BAJRA		840	840	880	980	100(11.4)	1175	195(19.9)
4	MAIZE		840	840	880	980	100(11.4)	1175	195(19.9)
5	RAGI		915	915	965	1050	85(8.8)	1500	450(42.8)
6	ARHAR(Tur)		2000	2300	3000¶	3200¶	200(6.7)	3850	650(20.3)
7	MOONG		2520	2760	3170¶	3500¶	330(10.4)	4400	900(25.7)
8	URAD		2520	2520	2900¶	3300¶	400(13.8)	4300	1000(30.3)
9	COTTON	Medium Staple	2500*	2500*	2500*	2800*	300(12.0)	3600	800(28.6)
		Long Staple	3000**	3000**	3000**	3300**	300(10.0)	3900	600(18.2)
10	GROUNDNUT IN SHELL		2100	2100	2300	2700	400(17.4)	3700	1000(37.0)
11	SUNFLOWER SEED		2215	2215	2350	2800	450(19.1)	3700	900(32.1)
12	SOYABEEN	Black	1350	1350	1400	1650	250(17.8)	2200	550(33.3)
		Yellow	1390	1390	1440	1690	250(17.4)	2240	550(32.5)
13	SESAMUM		2750	2850	2900	3400	500(17.2)	4200	800(23.5)
14	NIGERSEED		2405	2405	2450	2900	450(18.4)	3500	600(20.7)
	RABI CROPS								
15	WHEAT		1080	1100	1120$	1285	165(14.7)	1350	65(5.05)
16	BARLEY		680	750	780	980	200(25.6)	980	0(0.00)
17	GRAM		1730	1760	2100	2800	700(33.3)	3000	200(7.14)
18	MASUR (LENTIL)		1870	1870	2250	2800	550(24.4)	2900	100(3.57)
19	RAPESEED/MUSTARD		1830	1830	1850	2500	650(35.1)	3000	500(20.00)
20	SAFFLOWER		1650	1680	1800	2500	700(38.9)	2800	300(12.00)
21	TORIA		1735	1735	1780	2425	645(36.2)	2970	545(20.25)
	OTHER CROPS								
22	COPRA	Milling	3660	4450	4450	4525	75(1.7)	5100	575(12.7)
	(Calender Year)	Ball	3910	4700	4700	4775	75(1.6)	5350	575(12.0)
23	DE-HUSKED COCONUT (Calendar Year)		988	1200	1200	1200	0(0.0)	1400	200(16.7)
24	JUTE		1250	1375	1575	1675	100(6.3)	2200	525(31.3)
25	SUGARCANE		81.18	129.84□	139.12□	145.00□	5.88(4.2)	170.00□	25(17.2)

\# Figures in brackets indicate percentage increase.

$ An additional incentive bonus of Rs. 50 per quintal was payable over the Minimum Support Price(MSP).

* Staple length (mm) of 24.5 - 25.5 and Micronaire value of 4.3 - 5.1

** Staple length (mm) of 29.5 - 30.5 and Micronaire value of 3.5 - 4.3

¶ Additional incentive at the rate of Rs. 500 per quintal of tur, urad and moong sold to procurement agencies is payable during the harvest/arrival period of two months.

□ Fair and remunerative price.

जीरी की लागत कीमत 1757 2013-2014

Annexure-A

.reakup of the cost of cultivation per hectare of Paddy crop during 2013-2014 based on the **.ata of 2012-13.**

(A) Variable Costs	**Unit**	**Rate(Rs.)**	**Amount (Rs.)**
1. Preparation of land and sowing			
(i) Machine Labour	7 hrs.	550.00/hr.	3850.00
(ii) Human Labour	80 hrs.	191.00/day.	1910.00
(iii) Seed	25 kg.	40.00/kg.	1000.00
2. Irrigation			
(i) By T.W./canal	18 irrigation	Rs. 246/ irri.	4428.00
(ii) Human Labour	225 hrs.	191.00/day.	5371.88
3. Fertilizer			
(i) N=137 kg. @ 11.65/kg.			1596.05
(ii) P=57 kg. @ 46.17/kg.			2631.69
(iii) Zinc=25kg. @ Rs. 25/- kg.			625.00
(iv) Human Labour	20 hrs.	191.00/day.	477.50
4. Weedicides/Insecticides	Dose3lts/ha.@ Rs.200/-		600.00
Human Labour	10 hrs.	191.00/day.	238.75
5. Harvesting and Threshing (Manual)	200 hrs.	191.00/day.	4775.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.	100 hrs.	191.00/day.	2387.50
Sub Total			**29891.37**
7. Interest on working capital @ 7.0% for Six months.			1046.20
Total A.(Variable cost)			**30937.57**
8.(B) Fixed Costs			
(i) Rental value of Own Land			25,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			500.00
(v) Interest on fixed capital @ 7.0% for Six months.			892.50
Sub Total : B			**26392.50**
9. Total Cost (A&B)			**57330.07**
10. Value of by-product.			-
11. Yield per hect. 44.20 qtls. (Triennium ending 2011-12)			-
12. Cost of Production per qtls.			1297.06
13. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			194.55
14. Transportation charges and other incidental charges			25.00
15. 20% Increased of last two years average of Cost of Production.	.		240.00
Total (Cost of Production per Qtl)			**1756.61**

Or say 1757.00

Paddy . MSP Rs 1310-00
MSP for 13-14 at - Page 64

Annexure-B

Breakup of the cost of cultivation per hectare of Bajra crop during 2013-2014 based on the data of 2012-13.

(A) Variable Costs	**Unit**	**Rate(Rs.)**	**Amount (Rs.)**
1. Preparation of land and sowing			
(i) Machine Labour	4 hrs.	550.00/hr.	2200.00
(ii) Human Labour	16 hrs.	191.00/day.	382.00
(iii) Seed	4 kg.	80.00/kg.	320.00
2. Irrigation			
(i) By T.W./canal	2 irrigation	Rs.246/ irri.	492.00
(ii) Human Labour	16 hrs.	191.00/day.	358.00
3. Fertilizer			
(i) N=23 kg. @ 11.65/kg.			267.95
(ii) Human Labour	4 hrs.	191.00/day.	95.50
4. Weedicides/Insecticides	-	-	-
Human Labour	-	-	-
5. Harvesting and Threshing	-	-	-
(i) Machine Labour	3 hrs.	550.00/hr.	1650.00
(ii) Human Labour	120 hrs.	191.00/day.	2865.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.	40 hrs.	191.00/day.	955.00
Sub Total			**9585.45**
7. Interest on working capital @ 7.0% for Six months.			335.49
Total A.(Variable cost)			**9920.94**
8.(B) Fixed Costs			
(i) Rental value of Own Land			12,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			350.00
(v) Interest on fixed capital @ 7.0% for Six months.			432.25
Sub Total : B			**12782.25**
9. Total Cost (A&B)			**22703.19**
10. Value of by-product 54.24 qtls. @ Rs. 120/qtls.			6508.80
11. Yield per hect. 18.08 qtls. (Triennium ending 2011-12)			-
12. Cost of Production per qtls.			895.71
13. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			134.36
14. Transportation charges and other incidental charges			25.00
15. 20% Increased of last two years average of Cost of Production.			170.00
Total (Cost of Production per Qtl)			**1315.07**

Or say Rs. 1315.00

Bajra . MSP 1250 See Page 84

Annexure-C

Breakup of the cost of cultivation per hectare of Maize crop during 2013-2014 based on the data of 2012-13.

(A) Variable Costs	Unit	Rate(Rs.)	Amount (Rs.)
1. Preparation of land and sowing			
(i) Machine Labour	5 hrs.	550.00/hr.	2750.00
(ii) Human Labour	24 hrs.	191.00/day	573.00
(iii) Seed	20 kg.	70.00/kg.	1400.00
2. Irrigation			
(i) By T.W./canal	4 irrigation	Rs.246/ irri.	984.00
(ii) Human Labour	24 hrs.	191.00/day	573.00
3. Fertilizer			
(i) N=55 kg. @ 11.65/kg.	-	-	640.75
(ii) P=23kg @ Rs. 46.17/kg.	-	-	1061.91
(iii) Human Labour	4 hrs.	191.00/day	95.50
4. Weedicides/Insecticides			
Human Labour	4 hrs.	191.00/day	95.50
5. Harvesting and Threshing (Tractor & Thresher/Combine Harvester)			
(i) Machine Labour	5 hrs.	550.00/hr.	2750.00
(ii) Human Labour	112 hrs.	191.00/day	2674.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.)	100 hrs.	191.00/day	2387.50
Sub Total (Variable Cost)			**15985.16**
7. Interest on working capital @7.0% for Six months.			559.48
Total A.			**16544.64**
8.(B) Fixed Costs			
(i) Rental value of Own Land			12000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv)Depreciation on implements & farm building.			350.00
(v) Interest on fixed capital @ 7.0% for Six months.			432.25
Sub Total : B			**12782.25**
9. Total Cost (A&B)			**29326.89**
10. Value of by-product 33.70 qtls. @ Rs. 60/qtl.			2022.00
11. Yield per hect. 22.44 qtls/hect. (Triennium ending 2011-12)			-
12. Cost of Production per qtls.			1216.80
13. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			182.52
14.Transportation charges and other incidental charges			25.00
15. 20% Increased of last two years average of Cost of Production.			240.00
Total (Cost of Production per Qtl)			**1654.32**

Or say Rs. 1654.00

MSP/3/0-00 page 66

Annexure-D

reakup of the cost of cultivation per hectare of Cotton crop during 2013-2014 based on the data of 2012-13.

(A) Variable Costs	Unit	Rate (Rs.)	Amount (Rs.)
1. Preparation of land and sowing			
(i) Machine Labour	6 hrs.	550.00/hr.	3300.00
(ii) Human Labour	40 hrs.	191.00/day.	995.00
(iii) Seed	20 kg.	75.00/kg.	1500.00
2. Irrigation			
(i) By T.W./canal	4 irrigation	Rs.246/ irri.	984.00
(ii) Human Labour	40 hrs.	191.00/day.	955.00
3. Fertilizer			
(i) N=73 kg. @ 11.65/kg.	-	-	850.45
(ii) P=46kg @ Rs. 46.17/kg.	-	-	2123.82
(iii) FYM=4 Trolly	-	-	1000.00
(iv) Zinc=25kg @ Rs 25/kg	-	-	625.00
(v) Human Labour	40 hrs.	191.00/day.	955.00
4. Weedicides/Insecticides			
Human Labour	3spray	@Rs.700/-spray	2100.00
5. Harvesting and Threshing (Tractor & Thresher/Combine Harvester)			
(i) Machine Labour	-	-	-
(ii) Human Labour	500 hrs.	191.00/day.	11937.50
6. Misc. Charges (Human labour) (to bring seed, fertilizer, weedicides and other agri. Inputs etc.)	100 hrs.	191.00/day.	2387.50
Sub Total (Variable Cost)			**29673.27**
7. Interest on working capital @ 7.0% for Six months.			1038.56
Total A (Variable Costs)			**30711.83**
8.(B) Fixed Costs			
(i) Rental value of Own Land			25000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			500.00
(v) Interest on fixed capital @ 7.0% for Six months.			892.50
Sub Total : B			**26392.50**
9. Total Cost (A&B)			**56065.77**
10. Value of by-product 30 qtls @ Rs. 50/qtl.			1500.00
11. Yield per hect. 19.87 qtls/hect.. (Triennium ending 2011-12)			-
12. Cost of Production per qtls.			2746.14
13. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			411.92
14. Transportation charges and other incidental charges			25.00
15. 20% Increased of last two years average of Cost of Production.		-	600.00
Total (Cost of Production per Qtl.)			**3783.06**

Or say Rs. 3783.00

3700
4017

Annexure-A

Breakup of the cost of cultivation per hectare of Wheat crop during 2012-13 based on the data of 2011-12.

(A) Variable Costs 1. Preparation of land and sowing	Hrs.	Rate(Rs.)	Amount (Rs.)
(i) Machine Labour	10 hrs.	525.00/hr.	5250.00
(ii) Human Labour	40 hrs.	179.00/day.	895.00
(iii) Seed	125 kg.	24.00/kg.	3000.00
2. Irrigation			
(i) By T.W./Canal(irrigation)	5 irrigation	Rs.200/- per irri.	1000.00
(ii) Human Labour	75 hrs.	179.00/day.	1678.13
3. Fertilizer			
(i) N=150 kg. @ 11.54/kg.			1731.00
(ii) P=60 kg. @ 36.78/kg.			2206.80
(iii) K=30kg. @ 26.50/kg			795.00
(iv) Zinc=25kg. @ Rs. 25/- kg.			625.00
(v) Human Labour	12 hrs.	179.00/day.	268.50
4. Weedicides/Insecticides (Including Human Labour)			2000.00
5. Harvesting and Threshing (Tractor & Thresher)			
(i) Machine Labour (Threshing)	6 hrs.	850.00	5100.00
(ii) Human Labour	160 hrs.	250/Day	5000.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.)	100 hrs.	179.00/day.	2237.50
Sub Total			**31786.93**
7. Interest on working capital @ 7.0% for 6 months			1112.54
Total A. (Variable Costs)			**32899.47**
8.(B) Fixed Costs			
(i) Rental value of Land			25,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			500.00
(v) Interest on fixed capital @ 7.0% for Six months.			892.50
Sub Total (B)			**26392.50**
Total Cost (A&B)			**59291.97**
9. Value of by-product 44.84qtls. @ 175.00/qtl.			7847.00
10. Yield per hect. 44.84 qtls.(Triennium ending 2010-11)			-
11. Cost of Production per qtl.			1147.30
12. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			172.10
13. Transportation charges and other incidental charges			25.00
14. 20% increased of last two years average cost of production.			269.00
Total (Cost of Production per Qtl)			**1613.40**

Or Say Rs.1613.00

MSP for 12-13 Rs 1350-00

See Page 63

Annexure-B

Breakup of the cost of cultivation per hectare of Barley crop during 2012-13 based on the data of 2011-2012.

(A) Variable Costs	Unit	Rate(Rs.)	Amount (Rs.)
1. Preparation of land and sowing			
(i) Machine Labour	10 hrs.	525.00/hr.	5250.00
(ii) Human Labour	40 hrs.	179.00/day.	895.00
(iii) Seed	100 kg.	26.00/kg.	2600.00
2. Irrigation			
(i) By T.W./canal	2 irrigation	Rs.200/- per irri.	400.00
(ii) Human Labour	32 hrs.	179.00/day.	716.00
3. Fertilizer			
(i) N=60 kg. @ 11.54/kg.			692.00
(ii) P=30 kg. @ 36.78/kg.			1106.40
(iii) K=15kg. @26.50/kg			397.50
(iv) Human Labour	8 hrs.	179.00/day.	179.00
4. Weedicides/Insecticides (Including Human Labour)			-
5. Harvesting and Threshing (Tractor & Thresher)			
(i) Machine Labour (Threshing)	5 hrs.	850.00	4250.00
(ii) Human Labour	160 hrs.	250/Day	5000.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.)	60 hrs.	179.00/day.	1342.50
Sub Total			**22825.80**
7. Interest on working capital @ 7.0% for Six months.			798.90
Total A.(Variable cost)			**23624.70**
8.(B) Fixed Costs			
(i) Rental value of Land			15,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			350.00
(v) Interest on fixed capital @ 7.0% for Six months.			537.25
Sub Total : B			**15887.25**
Total Cost (A&B)			**39511.95**
9. Value of by-product 34.13qtls. @ 120.00/qtl.			4095.60
10. Yield per hect. 34.13 qtls. (Triennium ending 2010-11)			-
11. Cost of Production per qtl.			1037.69
12. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			155.65
13. Transportation charges and other incidental charges			25.00
14. 20% increased of last two years average cost of production.			244.00
Total (Cost of Production per Qtl)			**1462.34**

Or say Rs.1462.00

Annexure-C

Breakup of the cost of cultivation per hectare of Gram crop during 2012-13 based on the data of 2011-2012 .

(A) Variable Costs	**Unit**	**Rate(Rs.)**	**Amount (Rs.)**
1. **Preparation of land and sowing**			
(i) Machine Labour	4 hrs.	525.00/hr.	2100.00
(ii) Human Labour	16 hrs.	179.00/day.	358.00
(iii) Seed	50 kg.	39.00/kg.	1950.00
2. **Irrigation**			
(i) By T.W./canal	1 irrigation	Rs.200/- per irri.	200.00
(ii) Human Labour	12 hrs.	179.00/day.	268.50
3. **Fertilizer**			
(i) N=15 kg. @ 11.54/kg.			173.00
(ii) P=40 kg. @ 36.78/kg.			1471.20
(iii) Human Labour	4 hrs.	179.00/day.	89.50
4. Weedicides/Insecticides (Including Human Labour)			-
5. Harvesting and Threshing (Tractor & Thresher)			
(i) Machine Labour (Threshing)	3 hrs.	850.00	2550.00
(ii) Human Labour	56 hrs.	250/Day	1750.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.	12 hrs.	179.00/day.	268.50
Sub Total			**11178.80**
7. Interest on working capital @ 7.0% for Six months.			391.26
Total A.(Variable cost)			**11570.06**
8.(B) Fixed Costs			
(i) Rental value of Land			15,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			300.00
(v) Interest on fixed capital @ 7.0% for Six months.			535.50
Sub Total : B			**15835.50**
Total Cost (A&B)			**27405.56**
9. Value of by-product 9.19qtls. @160.00/qtl.			1470.40
10. Yield per hect.9.19 qtls. (Triennium ending 2010-11)			-
11. Cost of Production per qtl.			2822.11
12. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			423.32
13. Transportation charges and other incidental charges			25.00
14. 20% increased of last two years average cost of production.			654.00
Total (Cost of Production per Qtl)			**3924.42**

Or say Rs. 3924.00

Annexure-D

Breakup of the cost of cultivation per hectare of Rabi Oil Seeds crop during 2012-13 based on the data of 2011-2012 .

(A) Variable Costs	**Unit**	**Rate (Rs.)**	**Amount (Rs.)**
1. **Preparation of land and sowing**			
(i) Machine Labour	10 hrs.	525.00/hr.	5250.00
(ii) Human Labour	40 hrs.	179.00/day.	895.00
(iii) Seed	5 kg.	43.00/kg.	215.00
2. **Irrigation**			
(i) By T.W./canal	2 irrigation	Rs.200/- per irri.	400.00
(ii) Human Labour	32 hrs.	179.00/day.	716.00
3. **Fertilizer**			
(i) N=80 kg. @ 11.54/kg.			923.20
(ii) P=30 kg. @ 36.78/kg.			1106.40
(iii) Human Labour	8 hrs.	179.00/day.	179.00
4. Weedicides/Insecticides (Including Human Labour)		500.00	500.00
5. Harvesting and Threshing (Tractor & Thresher)			
(i) Machine Labour (Threshing)	4 hrs.	850.00	3400.00
(ii) Human Labour	120 hrs.	250/Day	3750.00
6. Misc. Charges (Human labour) (to bring seed, fertilizer and other agri. Inputs etc.	48 hrs.	179.00/day.	1074.00
Sub Total			**18405.60**
7. Interest on working capital @ 7.0% for Six months.			644.20
Total A.(Variable cost)			**19049.80**
8.(B) Fixed Costs			
(i) Rental value of Land			20,000.00
(ii) Rent paid for leased in land			-
(iii) Land cesses & Taxes			-
(iv) Depreciation on implements & farm building.			450.00
(v) Interest on fixed capital @ 7.0% for Six months.			715.75
Sub Total : B			**21165.75**
Total Cost (A&B)			**40215.55**
9. Value of by-product			-
10. Yield per hect. 17.55 qtls. (Triennium ending 2010-11)			-
11. Cost of Production per qtl.			2291.48
12. Management Charges weather risk incentive to cultivators @ 15% in the cost of production per qtl.			343.72
13. Transportation charges and other incidental charges			25.00
14. 20% increased of last two years average cost of production.			532.00
Total (Cost of Production per Qtl)			**3192.21**

Or say Rs. 3192.00

F.No.6-3/2012-FES-ES(Vol.II)
Government of India
Ministry of Agriculture
(Department of Agriculture & Cooperation)
Directorate of Economics and Statistics

New Delhi-110001
Dated the 10th july,2013

The Secretary,
Department of Food & Civil Supplies
government of Haryana
Chandigarh-160001

Subject: Price Policy for kharif Crops for 2013-14 season- Fixation of Minimum Support Price.

The government of India has fixed the Minimum Support Price for the kharif Crops for 2013-14 season of Fair Average Quality as under:-

Commodity	**Variety**	**MSP for 2013-14 Season (Rs. Per quintal)**	
Paddy	Common	1310	
	Grade A	1345	
Jowar	Hybrid	1500	
	Maldandi	1520	
Bajra	-	1250	
Maize	-	1310	
Ragi	-	1500	
Tur (Arhar)	-	4300	
Moong	-	4500	
Urad	-	4300	
Groundnut-in-shell	-	4000	
Soyabean	Black	2500	

	Yellow	2560	
Sunflower Seed	-	3700	
Sesamum	-	4500	
Nigerseed	-	3500	
Cotton	Medium Staple	3700	
	Long Staple	4000	

ii) the prices for different varietal groups of rice be derived from the minimum support prices of paddy on the basis of hulling / milling ratios as well as the processing and incidental charges obtaining in different states;

iii) the prices of varieties of cotton grown in different states, other than those in the groups of short, medium, Long and Extra Long Cotton (kapas) be fixed keeping in view the normal market price differentials between Basic Staple Length of 24.5 mm to 25.5 mm and Micronaire value 4.3 – 5.1; Long Staple Length 29.5 mm -30.5 mm and Micronaire value of 3.5 – 4.3 and other varieties and technical parameters;

iv) In the case of cereals, FCI and other designated State Agencies may continue to provide price support to the farmers, as in the past. NAFED, CWC, NCCF and SFAC would continue to be the nodal agencies for procurement of pulses and oilseeds. NAFED would also continue to undertake procurement of cotton, in addition to Cotton Corporation of India (CCI). Losses if any, incurred by these agencies on account of price support operations will be fully reimbursed by the government of India.

Sd/-
(S.k.Mukherjee)
Adviser

Copy for information to:

Chief Secretary,
Government of

True Copy

(Advocate)

रजिस्ट्री सं॰ डी॰ एल॰—(एन)04/0007/2003—20 REGISTERED NO. DL—(N)04/0007/2003—20

भारत का राजपत्र
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असाधारण
EXTRAORDINARY
भाग II — खण्ड 1
PART II — Section 1
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं॰ 47] नई दिल्ली, रविवार, सितम्बर 27, 2020/ आश्विन 5, 1942 (शक)
No. 47] NEW DELHI, SUNDAY, SEPTEMBER 27, 2020/ASVINA 5, 1942 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 27th September, 2020/*Asvina* 5, 1942 (*Saka*)

The following Act of Parliament received the assent of the President on the 26th September, 2020 and is hereby published for general information:—

THE ESSENTIAL COMMODITIES (AMENDMENT) ACT, 2020

No. 22 of 2020

[26*th September,* 2020.]

An Act further to amend the Essential Commodities Act, 1955.

Be it enacted by Parliament in the Seventy-first Year of the Republic of India as follows:—

Short title and commencement.

1. (*1*) This Act may be called the Essential Commodities (Amendment) Act, 2020.

(*2*) It shall be deemed to have come into force on the 5th day of June, 2020.

Amendment of section 3.

10 of 1955.

2. In section 3 of the Essential Commodities Act, 1955, after sub-section (*1*), the following sub-section shall be inserted, namely:—

'(*1A*) Notwithstanding anything contained in sub-section (*1*),—

(*a*) the supply of such foodstuffs, including cereals, pulses, potato, onions, edible oilseeds and oils, as the Central Government may, by notification in the Official Gazette, specify, may be regulated only under extraordinary circumstances which may include war, famine, extraordinary price rise and natural calamity of grave nature;

(*b*) any action on imposing stock limit shall be based on price rise and an order for regulating stock limit of any agricultural produce may be issued under this Act only if there is—

(*i*) hundred per cent. increase in the retail price of horticultural produce; or

(*ii*) fifty per cent. increase in the retail price of non-perishable agricultural foodstuffs,

over the price prevailing immediately preceding twelve months, or average retail price of last five years, whichever is lower:

Provided that such order for regulating stock limit shall not apply to a processor or value chain participant of any agricultural produce, if the stock limit of such person does not exceed the overall ceiling of installed capacity of processing, or the demand for export in case of an exporter:

Provided further that nothing contained in this sub-section shall apply to any order, relating to the Public Distribution System or the Targeted Public Distribution System, made by the Government under this Act or under any other law for the time being in force.

Explanation.—The expression "value chain participant", in relation to any agricultural product, means and includes a set of participants, from production of any agricultural produce in the field to final consumption, involving processing, packaging, storage, transport and distribution, where at each stage value is added to the product.'.

Repeal and savings.

3. (*1*) The Essential Commodities (Amendment) Ordinance, 2020 is hereby repealed. Ord. 8 of 2020.

(*2*) Notwithstanding such repeal, anything done or any action taken under the Essential Commodities Act, 1955, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Act as amended by this Act. 10 of 1955.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

UPLOADED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI–110002
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SUBIR NARAYAN GARAI

MGIPMRND—859GI—27-09-2020.

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MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 27*th September,* 2020/*Asvina* 5, 1942 (*Saka*)

The following Act of Parliament received the assent of the President on the 24th September, 2020 and is hereby published for general information:—

THE FARMERS' PRODUCE TRADE AND COMMERCE (PROMOTION AND FACILITATION) ACT, 2020

No. 21 of 2020

[24*th September,* 2020.]

An Act to provide for the creation of an ecosystem where the farmers and traders enjoy the freedom of choice relating to sale and purchase of farmers' produce which facilitates remunerative prices through competitive alternative trading channels; to promote efficient, transparent and barrier-free inter-State and intra-State trade and commerce of farmers' produce outside the physical premises of markets or deemed markets notified under various State agricultural produce market legislations; to provide a facilitative framework for electronic trading and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Seventy-first Year of the Republic of India as follows:—

CHAPTER I

Preliminary

Short title and commencement.

1. (*1*) This Act may be called the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Act, 2020.

(*2*) It shall be deemed to have come into force on the 5th day of June, 2020.

Definitions.

2. In this Act, unless the context otherwise requires,—

(*a*) "electronic trading and transaction platform" means a platform set up to facilitate direct and online buying and selling for conduct of trade and commerce of farmers' produce through a network of electronic devices and internet applications, where each such transaction results in physical delivery of farmers' produce;

(*b*) "farmer" means an individual engaged in the production of farmers' produce by self or by hired labour or otherwise, and includes the farmer producer organisation;

(*c*) "farmers' produce" means,—

(*i*) foodstuffs including cereals like wheat, rice or other coarse grains, pulses, edible oilseeds, oils, vegetables, fruits, nuts, spices, sugarcane and products of poultry, piggery, goatery, fishery and dairy intended for human consumption in its natural or processed form;

(*ii*) cattle fodder including oilcakes and other concentrates; and

(*iii*) raw cotton whether ginned or unginned, cotton seeds and raw jute;

(*d*) "farmer producer organisation" means an association or group of farmers, by whatever name called,—

(*i*) registered under any law for the time being in force; or

(*ii*) promoted under a scheme or programme sponsored by the Central or the State Government;

(*e*) "inter-State trade" means the act of buying or selling of farmers' produce, wherein a trader of one State buys the farmers'produce from the farmer or a trader of another State and such farmers' produce is transported to a State other than the State in which the trader purchased such farmers' produce or where such farmers' produce originated;

(*f*) "intra-State trade" means the act of buying or selling of farmers' produce, wherein a trader of one State buys the farmers' produce from a farmer or a trader of the same State in which the trader purchased such farmers' produce or where such farmers' produce originated;

(*g*) "notification" means a notification published by the Central Government or the State Governments in the Official Gazette and the expressions "notify" and "notified" shall be construed accordingly;

(*h*) "person" includes—

(*a*) an individual;

(*b*) a partnership firm;

(*c*) a company;

(*d*) a limited liability partnership;

(*e*) a co-operative society;

(*f*) a society; or

(*g*) any association or body of persons duly incorporated or recognised as a group under any ongoing programmes of the Central Government or the State Government;

(*i*) "prescribed" means prescribed by the rules made by the Central Government under this Act;

(*j*) "scheduled farmers' produce" means the agricultural produce specified under any State APMC Act for regulation;

(*k*) "State" includes the Union territory;

(*l*) "State APMC Act" means any State legislation or Union territory legislation in force in India, by whatever name called, which regulates markets for agricultural produce in that State;

(*m*) "trade area" means any area or location, place of production, collection and aggregation including—

(*a*) farm gates;

(*b*) factory premises;

(*c*) warehouses;

(*d*) silos;

(*e*) cold storages; or

(*f*) any other structures or places,

from where trade of farmers' produce may be undertaken in the territory of India but does not include the premises, enclosures and structures constituting—

(*i*) physical boundaries of principal market yards, sub-market yards and market sub-yards managed and run by the market committees formed under each State APMC Act in force in India; and

(*ii*) private market yards, private market sub-yards, direct marketing collection centres, and private farmer-consumer market yards managed by persons holding licenses or any warehouses, silos, cold storages or other structures notified as markets or deemed markets under each State APMC Act in force in India;

(*n*) "trader" means a person who buys farmers' produce by way of inter-State trade or intra-State trade or a combination thereof, either for self or on behalf of one or more persons for the purpose of wholesale trade, retail, end-use, value addition, processing, manufacturing, export, consumption or for such other purpose.

CHAPTER II

PROMOTION AND FACILITATION OF TRADE AND COMMERCE OF FARMERS' PRODUCE

Freedom to conduct trade and commerce in a trade area.

3. Subject to the provisions of this Act, any farmer or trader or electronic trading and transaction platform shall have the freedom to carry on the inter-State or intra-State trade and commerce in farmers' produce in a trade area.

Trade and commerce of scheduled farmers' produce.

4. (*1*) Any trader may engage in the inter-State trade or intra-State trade of scheduled farmers' produce with a farmer or another trader in a trade area:

Provided that no trader, except the farmer producer organisations or agricultural co-operative society, shall trade in any scheduled farmers' produce unless such a trader has a permanent account number allotted under the Income-tax Act, 1961 or such other document as may be notified by the Central Government. 43 of 1961.

(*2*) The Central Government may, if it is of the opinion that it is necessary and expedient in the public interest so to do, prescribe a system for electronic registration for a trader, modalities of trade transaction and mode of payment of the scheduled farmers' produce in a trade area.

(*3*) Every trader who transacts with farmers shall make payment for the traded scheduled farmers' produce on the same day or within the maximum three working days if procedurally so required subject to the condition that the receipt of delivery mentioning the due payment amount shall be given to the farmer on the same day:

Provided that the Central Government may prescribe a different procedure of payment by farmer produce organisation or agriculture co-operative society, by whatever name called, linked with the receipt of payment from the buyers.

Electronic trading and transaction platform.

5. (*1*) Any person (other than individual), having a permanent account number allotted under the Income-tax Act, 1961or such other document as may be notified by the Central Government or any farmer producer organisation or agricultural co-operative society may establish and operate an electronic trading and transaction platform for facilitating inter-State or intra-State trade and commerce of scheduled farmers' produce in a trade area: 43 of 1961.

Provided that the person establishing and operating an electronic trading and transaction platform shall prepare and implement the guidelines for fair trade practices such as mode of trading, fees, technical parameters including inter-operability with other platforms, logistics arrangments, quality assessment, timely payment, dissemination of guidelines in local language of the place of operation of the platform and such other matters.

(*2*) If the Central Government is of the opinion that it is necessary and expedient in public interest so to do, it may, for electronic trading platforms, by rules—

(*a*) specify the procedure, norms, manner of registration; and

(*b*) specify the code of conduct, technical parameters including inter-operability with other platform and modalities of trade transaction including logistics arrangements and quality assessment of scheduled farmers' produce and mode of payment,

for facilitating fair inter-State and intra-State trade and commerce of scheduled farmers' produce in a trade area.

Market fee under State APMC Act, etc., in trade area.

6. No market fee or cess or levy, by whatever name called, under any State APMC Act or any other State law, shall be levied on any farmer or trader or electronic trading and transaction platform for trade and commerce in scheduled farmers' produce in a trade area.

Price Information and Market Intelligence System.

7. (*1*) The Central Government may, through any Central Government Organisation, develop a Price Information and Market Intelligence System for farmers' produce and a framework for dissemination of information relating thereto.

(*2*) The Central Government may require any person owning and operating an electronic trading and transaction platform to provide information regarding such transactions as may be prescribed.

Explanation.—For the purposes of this section, the expression "Central Government Organisation" includes any subordinate or attached office, Government owned or promoted company or society.

CHAPTER III

DISPUTE RESOLUTION

Dispute Resolution Mechanism for farmers.

8. (*1*) In case of any dispute arising out of a transaction between the farmer and a trader under section 4, the parties may seek a mutually acceptable solution through conciliation by filing an application to the Sub-Divisional Magistrate who shall refer such dispute to a Conciliation Board to be appointed by him for facilitating the binding settlement of the dispute.

(*2*) Every Board of Conciliation appointed by the Sub-Divisional Magistrate under sub-section (*1*), shall consist of a chairperson and such members not less than two and not more than four, as the Sub-Divisional Magistrate may deem fit.

(*3*) The chairperson shall be an officer serving under the supervision and control of the Sub-Divisional Magistrate and the other members shall be persons appointed in equal numbers to represent the parties to the dispute and any person appointed to represent a party shall be appointed on the recommendation of that party:

Provided that, if any party fails to make such recommendation within seven days, the Sub-Divisional Magistrate shall appoint such persons as he thinks fit to represent that party.

(*4*) Where, in respect of any dispute, a settlement is arrived at during the course of conciliation proceedings, a memorandum of settlement shall be drawn accordingly and signed by the parties to such dispute which shall be binding upon the parties.

(*5*) If the parties to the transaction under sub-section (*1*) are unable to resolve the dispute within thirty days in the manner set out under this section, they may approach the Sub-Divisional Magistrate concerned who shall be the "Sub-Divisional Authority" for settlement of such dispute.

(*6*) The Sub-Divisional Authority on its own motion or on a petition or on the reference from any Government agency take cognizance of any contravention of the provisions of section 4 or rules made thereunder and take action under sub-section (*7*).

(*7*) The Sub-Divisional Authority shall decide the dispute or contravention under this section in a summary manner within thirty days from the date of its filing and after giving the parties an opportunity of being heard, he may—

(*a*) pass an order for the recovery of the amount under dispute; or

(*b*) impose a penalty as stipulated in sub-section (*1*) of section 11; or

(*c*) pass an order for restraining the trader in dispute from undertaking any trade and commerce of scheduled farmers' produce, directly or indirectly under this Act for such period as it may deem fit.

(*8*) Any party aggrieved by the order of the Sub-Divisional Authority may prefer an appeal before the Appellate Authority (Collector or Additional Collector nominated by the Collector) within thirty days of such order who shall dispose of the appeal within thirty days from the date of filing of such appeal.

(*9*) Every order of the Sub-Divisional Authority or Appellate Authority under this section shall have force of the decree of a civil court and shall be enforceable as such, and decretal amount shall be recovered as arrears of land revenue.

(*10*) The manner and procedure for filing a petition or an application before the Sub-Divisional Authority and appeal before the appellate authority shall be such as may be prescribed.

Suspension or cancellation of right to operate in electronic trading and transaction platform.

9. (*1*) The Agriculture Marketing Adviser, Directorate of Marketing and Inspection, Government of India or an officer of the State Government to whom such powers are delegated by the Central Government in consultation with the respective State Government may, on its own motion or on a petition or on the reference from any Government Agency, take cognizance of any breach of the procedures, norms, manner of registration and code of conduct or any breach of the guidelines for fair trade practices by the electronic trading and transaction platform established under section 5 or contravenes the provisions of section 7 and, by an order within sixty days from the date of receipt and for the reasons to be recorded, he may—

(*a*) pass an order for the recovery of the amount payable to the farmers and traders;

(*b*) impose a penalty as stipulated in sub-section (*2*) of section 11; or

(*c*) suspend for such period as he deems fit or cancel the right to operate as an electronic trading and transaction platform:

Provided that no order for recovery of amount, imposition of penalty or suspension or cancellation of the right to operate shall be passed without giving the operator of such electronic trading and transaction platform an opportunity of being heard.

(*2*) Every order made under sub-section (*1*) shall have force of the decree of a civil court and shall be enforceable as such and the decretal amount shall be recovered as arrears of land revenue.

Appeal against cancellation of right to operate.

10. (*1*) Any person aggrieved by an order under section 9 may, prefer an appeal within sixty days from the date of such order, to an officer not below the rank of Joint Secretary to the Government of India to be nominated by the Central Government for this purpose:

Provided that an appeal may be admitted even after the expiry of the said period of sixty days, but not beyond a total period of ninety days, if the appellant satisfies the appellate authority, that he had sufficient cause for not preferring the appeal within the said period.

(*2*) Every appeal made under this section shall be made in such form and manner, and shall be accompanied by a copy of the order appealed against and by such fees as may be prescribed.

(*3*) The procedure for disposing of an appeal shall be such as may be prescribed.

(*4*) An appeal filed under this section shall be heard and disposed of within a period of ninety days from the date of its filing:

Provided that before disposing of an appeal, the appellant shall be given an opportunity of being heard.

CHAPTER IV

PENALTIES

Penalty for contravention of Act and rules.

11. (*1*) Whoever contravenes the provisions of section 4 or the rules made thereunder shall be liable to pay a penalty which shall not be less than twenty-five thousand rupees but which may extend up to five lakh rupees, and where the contravention is a continuing one, further penalty not exceeding five thousand rupees for each day after the first day during which the contravention continues.

(*2*) If any person, who owns, controls or operates an electronic trading and transaction platform, contravenes the provisions of sections 5 and 7 or the rules made thereunder shall be liable to pay a penalty which shall not be less than fifty thousand rupees but which may extend up to ten lakh rupees, and where the contravention is a continuing one, further penalty not exceeding ten thousand rupees for each day after the first day during which the contravention continues.

CHAPTER V

MISCELLANEOUS

Powers of Central Government to issue instructions, directions, orders or guidelines.

12. The Central Government may, for carrying out the provisions of this Act, give such instructions, directions, orders or issue guidelines as it may deem necessary to any authority or officer subordinate to the Central Government, any State Government or any authority or officer subordinate to a State Government, an electronic trading and transaction platform or to any person or persons owning or operating an electronic trading and transaction platform, or a trader or class of traders.

Protection of action taken in good faith.

13. No suit, prosecution or other legal proceedings shall lie against the Central Government or the State Government, or any officer of the Central Government or the State Government or any other person in respect of anything which is in good faith done or intended to be done under this Act or of any rules or orders made thereunder.

14. The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any State APMC Act or any other law for time being in force or in any instrument having effect by virtue of any law for the time being in force. Act to have overriding effect.

15. No civil court shall have jurisdiction to entertain any suit or proceedings in respect of any matter, the cognizance of which can be taken and disposed of by any authority empowered by or under this Act or the rules made thereunder. Bar of jurisdiction of civil court.

16. Nothing contained in this Act, shall be applicable to the Stock Exchanges and
42 of 1956. Clearing Corporations recognised under the Securities Contracts (Regulation) Act, 1956 and the transactions made thereunder. Act not to apply to certain transactions.

17. (*1*) The Central Government may, by notification, make rules for carrying out the provisions of this Act. Power of Central Government to make rules.

(*2*) In particular and without prejudice to the generality of the forgoing power, such rules may provide for all or any of the following matters, namely:—

(*a*) the system of electronic registration for a trader and modalities of trade transaction of scheduled farmers' produce under sub-section (*2*) of section 4;

(*b*) the procedure of payment under proviso to sub-section (*3*) of section 4;

(*c*) the manner and procedure for filing a petition or an application before the Sub-Divisional Authority and appeal before the appellate authority under sub-section (*10*) of section 8;

(*d*) the information regarding transactions under sub-section (*2*) of section 9;

(*e*) the form and manner and the fee payable for filing an appeal under sub-section (*2*) of section 10;

(*f*) the procedure for disposing of an appeal under sub-section (*3*) of section 10;

(*g*) any other matter which is to be or may be prescribed.

18. Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule. Laying of rules.

19. (*1*) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to it to be necessary for removing the difficulty: Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of the period of three years from the date of commencement of this Act.

(*2*) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

20. (*1*) The Farmers' Produce Trade and Commerce (Promotion and Facilitation)
Ord. 10 of 2020. Ordinance, 2020 is hereby repealed. Repeal and savings.

(*2*) Notwithstanding such repeal, anything done or any action under the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of this Act.

———

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 27th September, 2020/*Asvina* 5, 1942 (*Saka*)

The following Act of Parliament received the assent of the President on the 24th September, 2020 and is hereby published for general information:—

THE FARMERS (EMPOWERMENT AND PROTECTION) AGREEMENT ON PRICE ASSURANCE AND FARM SERVICES ACT, 2020

No. 20 of 2020

[24*th September,* 2020.]

An Act to provide for a national framework on farming agreements that protects and empowers farmers to engage with agri-business firms, processors, wholesalers, exporters or large retailers for farm services and sale of future farming produce at a mutually agreed remunerative price framework in a fair and transparent manner and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Seventy-first Year of the Republic of India as follows:—

CHAPTER I

Preliminary

1. (*1*) This Act may be called the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Act, 2020. Short title and commencement.

(*2*) It shall be deemed to have come into force on the 5th June, 2020.

Definitions.

2. In this Act, unless the context otherwise requires,—

(*a*) "APMC yard" means the physical premises covering Agriculture Produce Market Committee Yard, by whatever name called, established for regulating markets and trade in farming produce under any State Act;

(*b*) "company" means a company as defined in clause (*20*) of section 2 of the Companies Act, 2013; 18 of 2013.

(*c*) "electronic trading and transaction platform" means a platform set up to facilitate direct and online buying and selling for conduct of trade and commerce of farming produce through a network of electronic devices and internet applications;

(*d*) "farm services" includes supply of seed, feed, fodder, agro-chemicals, machinery and technology, advice, non-chemical agro-inputs and such other inputs for farming;

(*e*) "farmer" means an individual engaged in the production of farming produce by self or by hired labour or otherwise, and includes the Farmer Producer Organisation;

(*f*) "Farmer Producer Organisation" means an association or group of farmers, by whatever name called,—

(*i*) registered under any law for the time being in force; or

(*ii*) promoted under a scheme or programme sponsored by the Central Government or the State Government;

(*g*) "farming agreement" means a written agreement entered into between a farmer and a Sponsor, or a farmer, a Sponsor and any third party, prior to the production or rearing of any farming produce of a predetermined quality, in which the Sponsor agrees to purchase such farming produce from the farmer and to provide farm services.

Explanation.—For the purposes of this clause, the term "farming agreement" may include—

(*i*) "trade and commerce agreement", where the ownership of commodity remains with the farmer during production and he gets the price of produce on its delivery as per the agreed terms with the Sponsor;

(*ii*) "production agreement", where the Sponsor agrees to provide farm services, either fully or partially and to bear the risk of output, but agrees to make payment to the farmer for the services rendered by such farmer; and

(*iii*) such other agreements or a combination of agreements specified above;

(*h*) "farming produce" includes—

(*i*) foodstuffs, including edible oilseeds and oils, all kinds of cereals like wheat, rice or other coarse grains, pulses, vegetables, fruits, nuts, spices, sugarcane and products of poultry, piggery, goatery, fishery and dairy, intended for human consumption in its natural or processed form;

(*ii*) cattle fodder, including oilcakes and other concentrates;

(*iii*) raw cotton, whether ginned or unginned;

(*iv*) cotton seeds and raw jute;

(*i*) "firm" means a firm as defined in section 4 of the Indian Partnership Act, 1932; 9 of 1932.

(*j*) "force majeure" means any unforeseen external event, including flood, drought, bad weather, earthquake, epidemic outbreak of disease, insect-pests and such other events, which is unavoidable and beyond the control of parties entering into a farming agreement;

(*k*) "notification" means a notification published by the Central Government or the State Government, as the case may be, in the Official Gazette and the expression "notified" shall be construed accordingly;

(*l*) "person" includes—

(*i*) an individual;

(*ii*) a partnership firm;

(*iii*) a company;

(*iv*) a limited liability partnership;

(*v*) a co-operative society;

(*vi*) a society; or

(*vii*) any association or body of persons duly incorporated or recognised as a group under any ongoing programmes of the Central Government or the State Government;

(*m*) "prescribed" means prescribed by rules made under this Act;

(*n*) "Registration Authority" means an authority notified as such by the State Government under section 12;

(*o*) "Sponsor" means a person who has entered into a farming agreement with the farmer to purchase a farming produce;

(*p*) "State" includes Union territory.

CHAPTER II

FARMING AGREEMENT

Farming agreement and its period.

3. (*1*) A farmer may enter into a written farming agreement in respect of any farming produce and such agreement may provide for—

(*a*) the terms and conditions for supply of such produce, including the time of supply, quality, grade, standards, price and such other matters; and

(*b*) the terms related to supply of farm services:

Provided that the responsibility for compliance of any legal requirement for providing such farm services shall be with the Sponsor or the farm service provider, as the case may be.

(*2*) No farming agreement shall be entered into by a farmer under this section in derogation of any rights of a share cropper.

Explanation.—For the purposes of this sub-section, the term "share cropper" means a tiller or occupier of a farm land who formally or informally agrees to give fixed share of crop or to pay fixed amount to the land owner for growing or rearing of farming produce.

(*3*) The minimum period of the farming agreement shall be for one crop season or one production cycle of livestock, as the case may be, and the maximum period shall be five years:

Provided that where the production cycle of any farming produce is longer and may go beyond five years, in such case, the maximum period of farming agreement may be mutually decided by the farmer and the Sponsor and explicitly mentioned in the farming agreement.

(*4*) For the purposes of facilitating farmers to enter into written farming agreements, the Central Government may issue necessary guidelines along with model farming agreements, in such manner, as it deems fit.

Quality, grade and standards of farming produce.

4. (*1*) The parties entering into a farming agreement may identify and require as a condition for the performance of such agreement compliance with mutually acceptable quality, grade and standards of a farming produce.

(*2*) For the purposes of sub-section (*1*), the parties may adopt the quality, grade and standards—

(*a*) which are compatible with agronomic practices, agro-climate and such other factors; or

(*b*) formulated by any agency of the Central Government or the State Government, or any agency authorised by such Government for this purpose,

and explicitly mention such quality, grade and standards in the farming agreement.

(*3*) The quality, grade and standards for pesticide residue, food safety standards, good farming practices and labour and social development standards may also be adopted in the farming agreement.

(*4*) The parties entering into a farming agreement may require as a condition that such mutually acceptable quality, grade and standards shall be monitored and certified during the process of cultivation or rearing, or at the time of delivery, by third party qualified assayers to ensure impartiality and fairness.

Pricing of farming produce.

5. The price to be paid for the purchase of a farming produce may be determined and mentioned in the farming agreement itself, and in case, such price is subject to variation, then, such agreement shall explicitly provide for—

(*a*) a guaranteed price to be paid for such produce;

(*b*) a clear price reference for any additional amount over and above the guaranteed price, including bonus or premium, to ensure best value to the farmer and such price reference may be linked to the prevailing prices in specified APMC yard or electronic trading and transaction platform or any other suitable benchmark prices:

Provided that the method of determining such price or guaranteed price or additional amount shall be annexed to the farming agreement.

Sale or purchase of farming produce.

6. (*1*) Where, under a farming agreement, the delivery of any farming produce is to be—

(*a*) taken by the Sponsor at the farm gate, he shall take such delivery within the agreed time;

(*b*) effected by the farmer, it shall be the responsibility of the Sponsor to ensure that all preparations for the timely acceptance of such delivery have been made.

(*2*) The Sponsor may, before accepting the delivery of any farming produce, inspect the quality or any other feature of such produce as specified in the farming agreement, otherwise, he shall be deemed to have inspected the produce and shall have no right to retract from acceptance of such produce at the time of its delivery or thereafter.

(*3*) The Sponsor shall,—

(*a*) where the farming agreement relates to seed production, make payment of not less than two-third of agreed amount at the time of delivery and the remaining amount after due certification, but not later than thirty days of delivery;

(*b*) in other cases, make payment of agreed amount at the time of accepting the delivery of farming produce and issue a receipt slip with details of the sale proceeds.

(*4*) The State Government may prescribe the mode and manner in which payment shall be made to the farmer under sub-section (*3*).

Exemptions with respect to farming produce.

7. (*1*) Where a farming agreement has been entered into in respect of any farming produce under this Act, such produce shall be exempt from the application of any State Act, by whatever name called, established for the purpose of regulation of sale and purchase of such farming produce.

10 of 1955.

(*2*) Notwithstanding anything contained in the Essential Commodities Act, 1955 or in any control order issued thereunder or in any other law for the time being in force, any obligation related to stock limit shall not be applicable to such quantities of farming produce as are purchased under a farming agreement entered into in accordance with the provisions of this Act.

Sponsor prohibited from acquiring ownership rights or making permanent modifications on farmer's land or premises.

8. No farming agreement shall be entered into for the purpose of—

(*a*) any transfer, including sale, lease and mortgage of the land or premises of the farmer; or

(*b*) raising any permanent structure or making any modification on the land or premises of the farmer, unless the Sponsor agrees to remove such structure or to restore the land to its original condition, at his cost, on the conclusion of the agreement or expiry of the agreement period, as the case may be:

Provided that where such structure is not removed as agreed by the Sponsor, the ownership of such structure shall vest with the farmer after conclusion of the agreement or expiry of the agreement period, as the case may be.

Linkage of farming agreement with insurance or credit.

9. A farming agreement may be linked with insurance or credit instrument under any scheme of the Central Government or the State Government or any financial service provider to ensure risk mitigation and flow of credit to farmer or Sponsor or both.

Other parties to farming agreement.

10. Save as otherwise provided in this Act, an aggregator or farm service provider may become a party to the farming agreement and in such case, the role and services of such aggregator or farm service provider shall be explicitly mentioned in such farming agreement.

Explanation.—For the purposes of this section,—

(*i*) "aggregator" means any person, including a Farmer Producer Organisation, who acts as an intermediary between a farmer or a group of farmers and a Sponsor and provides aggregation related services to both farmers and Sponsor;

(*ii*) "farm service provider" means any person who provides farm services.

Alteration or termination of farming agreement.

11. At any time after entering into a farming agreement, the parties to such agreement may, with mutual consent, alter or terminate such agreement for any reasonable cause.

Establishment of Registration Authority.

12. (*1*) A State Government may notify a Registration Authority to provide for electronic registry for that State that provides facilitative framework for registration of farming agreements.

(*2*) The constitution, composition, powers and functions of the Registration Authority and the procedure for registration shall be such as may be prescribed by the State Government.

CHAPTER III

DISPUTE SETTLEMENT

Conciliation board for dispute settlement.

13. (*1*) Every farming agreement shall explicitly provide for a conciliation process and formation of a conciliation board consisting of representatives of parties to the agreement:

Provided that representation of parties in such conciliation board shall be fair and balanced.

(*2*) A dispute arising from any farming agreement shall be first referred to the conciliation board formed as per the provisions of the farming agreement and every endeavour shall be made by such board to bring about settlement of such dispute.

(*3*) Where, in respect of any dispute, a settlement is arrived during the course of conciliation proceeding, a memorandum of settlement shall be drawn accordingly and signed by the parties to such dispute and such settlement shall be binding on the parties.

Mechanism for dispute resolution.

14. (*1*) Where, the farming agreement does not provide for conciliation process as required under sub-section (*1*) of section 13, or the parties to the farming agreement fail to settle their dispute under that section within a period of thirty days, then, any such party may approach the concerned Sub-Divisional Magistrate who shall be the Sub-Divisional Authority for deciding the disputes under farming agreements.

(*2*) On receipt of a dispute under sub-section (*1*), the Sub-Divisional Authority may, if—

(*a*) the farming agreement did not provide for conciliation process, constitute a conciliation board for bringing about settlement of such dispute; or

(*b*) the parties failed to settle their dispute through conciliation process, decide the dispute in a summary manner within thirty days from the date of receipt of such dispute, after giving the parties a reasonable opportunity of being heard and pass an order for recovery of the amount under dispute, with such penalty and interest, as it deems fit, subject to the following conditions, namely:—

(*i*) where the Sponsor fails to make payment of the amount due to the farmer, such penalty may extend to one and half times the amount due;

(*ii*) where the order is against the farmer for recovery of the amount due to the Sponsor on account of any advance payment or cost of inputs, as per terms of farming agreement, such amount shall not exceed the actual cost incurred by the Sponsor;

(*iii*) where the farming agreement in dispute is in contravention of the provisions of this Act, or default by the farmer is due to force majeure, then, no order for recovery of amount shall be passed against the farmer.

(*3*) Every order passed by the Sub-Divisional Authority under this section shall have same force as a decree of a civil court and be enforceable in the same manner as that of a decree under the Code of Civil Procedure, 1908, unless an appeal is preferred under sub-section (*4*). 5 of 1908.

(*4*) Any party aggrieved by the order of the Sub-Divisional Authority may prefer an appeal to the Appellate Authority, which shall be presided over by the Collector or Additional Collector nominated by the Collector, within thirty days from the date of such order.

(*5*) The Appellate Authority shall dispose of the appeal within thirty days.

(*6*) Every order passed by the Appellant Authority under this section shall have same force as a decree of a civil court and be enforceable in the same manner as that of a decree under the Code of Civil Procedure, 1908. 5 of 1908.

(*7*) The amount payable under any order passed by the Sub-Divisional Authority or the Appellant Authority, as the case may be, may be recovered as arrears of land revenue.

(*8*) The Sub-Divisional Authority or the Appellate Authority shall, while deciding disputes under this section, have all the powers of a civil court for the purposes of taking evidence on oath, enforcing the attendance of witnesses, compelling the discovery and production of documents and material objects and for such other purposes as may be prescribed by the Central Government.

(*9*) The manner and procedure for filing a petition or an application before the Sub-Divisional Authority and an appeal before the Appellate Authority shall be such as may be prescribed by the Central Government.

No action for recovery of dues against farmer's land.

15. Notwithstanding anything contained in section 14, no action for recovery of any amount due in pursuance of an order passed under that section, shall be initiated against the agricultural land of the farmer.

CHAPTER IV

MISCELLANEOUS

Power of Central Government to give directions.

16. The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for effective implementation of the provisions of this Act and the State Governments shall comply with such directions.

Authorities under Act to be public servants.

17. All authorities, including Registration Authority, Sub-Divisional Authority and Appellate Authority, constituted or prescribed under this Act, shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

Protection of action taken in good faith.

18. No suit, prosecution or other legal proceeding shall lie against the Central Government, the State Government, the Registration Authority, the Sub-Divisional Authority, the Appellate Authority or any other person for anything which is in good faith done or intended to be done under the provisions of this Act or any rule made thereunder.

Bar of jurisdiction of civil court.

19. No civil Court shall have jurisdiction to entertain any suit or proceedings in respect of any dispute which a Sub-Divisional Authority or the Appellate Authority is empowered by or under this Act to decide and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or any rules made thereunder.

Act to have an overriding effect.

20. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any State law for the time being in force or in any instrument having effect by virtue of any such law other than this Act:

Provided that a farming agreement or such contract entered into under any State law for the time being in force, or any rules made thereunder, before the date of coming into force of this Act, shall continue to be valid for the period of such agreement or contract.

Act not to apply to stock exchanges and clearing corporations.

21. Nothing contained in this Act shall be applicable to the stock exchanges and clearing corporations recognised under the Securities Contracts (Regulation) Act, 1956 and the transactions undertaken therein.

42 of 1956.

Power of Central Government to make rules.

22. (*1*) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(*2*) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(*a*) other purposes for which the Sub-Divisional Authority or the Appellate Authority shall have the powers of civil court under sub-section (*8*) of section 14;

(*b*) the manner and procedure for filing petition or application before the Sub-Divisional Authority, and an appeal before the Appellate Authority, under sub-section (*9*) of section 14;

(*c*) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules, by the Central Government.

(*3*) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power of State Government to make rules.

23. (*1*) The State Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(*2*) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(*a*) the mode and manner of payment to the farmer under sub-section (*4*) of section 6;

(*b*) the constitution, composition, powers and functions of the Registration Authority, and the procedure for registration under sub-section (*2*) of section 12;

(*c*) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be made, by rules, by the State Government.

(*3*) Every rule made by the State Government under this Act shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House.

Power to remove difficulties.

24. (*1*) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to it to be necessary for removing the difficulty.

(*2*) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Repeal and savings.

25. (*1*) The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020 is hereby repealed. Ord. 11 of 2020.

(*2*) Notwithstanding such repeal, anything done or any action taken under the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020 shall be deemed to have been done or taken under the corresponding provisions of this Act. Ord. 11 of 2020.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

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SUBIR NARAYAN GARAI

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