

LOK SABHA

SYNOPSIS OF DEBATES (Proceedings other than Questions & Answers)

Thursday, September 17, 2020 / Bhadrapada 26, 1942 (Saka)

OBITUARY REFERENCE

HON'BLE SPEAKER: Hon'ble Members, I have to inform the House about the sad demise of our colleague, Shri Balli Durga Prasad Rao.

Shri Balli Durga Prasad Rao was a sitting member representing Tirupati parliamentary constituency of Andhra Pradesh. Shri Balli Durga Prasad Rao was a member of the Committee on Social Justice and Empowerment. Earlier, Shri Balli Durga Prasad Rao was a member of Andhra Pradesh Legislative Assembly for four terms. He also served as Minister of School education in the Government of Andhra Pradesh.

Shri Balli Durga Prasad Rao passed away on 16 September, 2020 in Chennai at the age of 64 years.

We deeply mourn the loss of our colleague and I am sure the House would join me in conveying our condolences to the bereaved family.

The Members then stood in silence for a short while.

***MATTERS UNDER RULE 377**

- (1) **SHRI RAVINDRA KUSHAWAHA** laid a statement regarding need to run a Rajdhani Express on Delhi-Lucknow-Barauni section and a Shatabdi Express on Lucknow-Gorakhpur-Varanasi section.
- (2) **SHRI RAJIV PRATAP RUDY** laid a statement regarding need to amend the Motor Vehicles Act.
- (3) **SHRI NARANBHAI KACHHADIYA** laid a statement regarding need to establish a Kendriya Vidyalaya in Amreli, Gujarat.
- (4) **SHRI GOPAL SHETTY** laid a statement regarding need to acquire land of charitable organizations lying vacant for years and utilize it in public interest.
- (5) **SHRI RAJENDRA AGRAWAL** laid a statement regarding need to remove the encroachment in and around Ulta Khera Tila and Pandav Tila sites of archaeological importance in Hastinapur in Uttar Pradesh.
- (6) **SHRI RAMDAS TADAS** laid a statement regarding need to provide compensation to farmers of Wardha Parliamentary Constituency, Maharashtra who suffered loss of crops due to pest attack.
- (7) **SHRI P. P. CHAUDHARY** laid a statement regarding setting up of Centre for Rural Health by AIIMS, Jodhpur in Pali Parliamentary Constituency, Rajasthan.

* Laid on the Table as directed by the Chair.

- (8) **SHRI NIHAL CHAND CHOUHAN** laid a statement regarding need to augment railway services in Ganganagar Parliamentary Constituency, Rajasthan.
- (9) **SHRI DEVENDRA SINGH 'BHOLE'** laid a statement regarding need to establish an All India Institute of Speech and Hearing in Kanpur Nagar district, Uttar Pradesh.
- (10) **SHRIMATI SANGEETA KUMARI SINGH DEO** laid a statement regarding special package to the KBK region.
- (11) **SHRI RAJA AMARESHWARA NAIK** laid a statement regarding following of Environmental rules by Yermarus Thermal Power Station in Karnataka.
- (12) **ADV. AJAY BHATT** laid a statement regarding need to provide ownership rights of land to ex-servicemen in Udham Singh Nagar district, Uttarakhand.
- (13) **SHRI KARADI SANGANNA AMARAPPA** laid a statement regarding railway broad gauge line from Gangavathi to Daroji in Karnataka.
- (14) **SHRI DEEPAK BAIJ** laid a statement regarding need to review the privatization of Nagarnar Steel Plant in Bastar district of Chhattisgarh.
- (15) **SHRI MARGANI BHARAT** laid a statement regarding cargo facilities at Rajahmundry airport.

- (16) **SHRI KRUPAL BALAJI TUMANE** laid a statement regarding need to assess loss incurred by farmers and provide financial assistance to them in Ramtek Parliamentary Constituency, Maharashtra.
- (17) **SHRI MOHAMMED FAIZAL P.P.** laid a statement regarding proper functioning of fleets and transport sector in Union Territory of Lakshadweep.
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OBSERVATION BY THE SPEAKER

I think that this House agrees to the request of the hon. Minister that the item Nos. 15, 16, 17 and 18 be taken up together for discussion.

The House agreed.

STATUTORY RESOLUTIONS

Re: Disapproval of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 (Ordinance No. 10 of 2020)

And

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

AND

Re: Disapproval of the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020 (Ordinance No. 11 of 2020)

And

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

ADV. DEAN KURIAKOSE moved that this House disapproves of the Farmers' Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 (Ordinance No. 10 of 2020) promulgated by the President on 5th June, 2020.

SHRI N.K. PREMACHANDRAN moved that this House disapproves of the Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020 (Ordinance No. 11 of 2020) promulgated by the President on 5th June, 2020.

**THE MINISTER OF AGRICULTURE AND FARMERS WELFARE;
MINISTER OF RURAL DEVELOPMENT AND MINISTER OF
PANCHAYATI RAJ(SHRI NARENDRA SINGH TOMAR)** *moving the motion
for consideration of the Bills, said:* The proposed Bills are going to provide freedom in the agriculture sector. Farmers were bound by the chains of the *mandis* regarding selling his produce. But, through this Bill they will get total freedom. This Bill does not encroach upon in any way the APMC Act, which is an Act of the States. Regarding the second Bill related to the price assurance, I would like to

say that 86 per cent of the farmers in our country are small farmers. They can neither invest themselves nor the investment reaches them. If the prices are predetermined through some legislation then the farmers can definitely make agriculture a profitable activity. The Bills taken up for discussion today are definitely going to make the farmers progressive. These Bills are not going to affect MSP at all.

Both these Bills aim at making the farming profitable, ensuring independence of the farmers and these Bills will also serve as important tools of the Government to bring about technological development in the farming sector. The farmers, hence forth, will be able to sell their produce from the place of his choice and also the trader of his choice. No tax will be levied by the State Government or by the Central Government on the trade happening outside the agriculture market. At present, the competition is among only 50-60 traders for the produce of the farmers in the agriculture market. With the passage of this Bill, the competition will be enhanced, the villages will attract investments, agricultural infrastructure will be created, employment opportunities will also be generated and it will augment the agriculture export as well. It will also enable the farmers to get connected with big traders and exporters to make the farming a profitable proposition. I request the august House to consider both these Bills and give their support for passing these Bills.

SHRI RAVNEET SINGH *initiating the discussion, said:* Today, the warehouses of Punjab are full of foodgrains and at least 40-50 rakes of foodgrains are being transported from Punjab to different parts of the country. Had the MSP not been there, how the warehouses of Punjab would have been full of food grains. The Government has not made a mention of the MSP in all the three Bills then how could we believe the guarantee by the Government. The oldest ally of the ruling party just a little while ago spoke against the Government. Today, major industries are in huge losses and are also not able to pay the salaries of their workers. However, the farmer is safe today but later on these big industrialists will procure the produce of the farmers. After promulgation of this ordinance, the crop of maize has come in the market but had this ordinance been so good then the maize crop would not have been sold at Rs. 700 per quintal. The maize crop should have been sold at a rate of Rs. 1700-2000 per quintal. Pulses are grown at a large scale in Madhya Pradesh and Rajasthan. Are the MSP rates available for pulses in the market? When the produce of the farmer goes to the agriculture market, 3 per cent MDF and 1 per cent RDF is levied on wheat, paddy, barley, cotton, maize and potatoes and 2 per cent on vegetables and fruits. The states construct the rural road network with this money itself and in Punjab the rural road network spans to about 70,000 kms. Why does the Government pick up this issue time and again? What the Assemblies are made for? Do the Government intend to accumulate all the powers in Parliament alone? This will not happen. The other issue relates to the

trade area. Our state of Punjab constructed agriculture markets and spent about 2,200 crores of Rupees on them. The businessman will purchase the agriculture produce from outside the agriculture markets. The FCI undertake procurement in the entire country but this Government has destroyed this institution. I have talked about the market fee. From where the states will charge market fee? The states will not be able to mobilise any resources then how come the states would construct the rural roads which connects the villages. E-Trading will be exposed to cybercrimes. I don't mean to say that the country should not move forward but will it be feasible for the farmers to do e-trading? There are over 76 per cent farmers in the country and these issues relate to the entire farming community. This is, in fact, an economic model to destroy the farmers. In America, the farmers have been reduced to only 2 per cent of the population. The contract farming will also add to the woes of the farmers.

SHRI N.K. PREMACHANDRAN: We all know that an Ordinance is promulgated in the case of exigencies, necessities or extraordinary situations. In this case, the reason stated in the Ordinance-making provision by the Government is that because of the COVID-19 pandemic situation and also because of the lockdown, farmers are in big trouble and there is adverse livelihood situation for farmers and all these ordinances are promulgated to protect the livelihoods of farmers. According to the Government, we need a long-term solution for farmers and agriculture as a whole. So, I would like to ask that how do this COVID-19

pandemic and the long-term solution go together as an exigency, emergency or extraordinary situation? From this, it is very clear that the Government is using COVID-19 pandemic situation to bulldoze agriculture sector reforms through Ordinances and thereby misuse the Presidential power under Article 123(1) of the Constitution. If we critically examine all the three Ordinances, you will find that these have been brought with an intent to facilitate the corporate retailers. We have started the neo liberal structural economic reforms in the year 1990. Three decades have passed. We should critically analyse the impact of the neo liberal structural economic reforms as far as the farmers are concerned, because farmer community has not been benefitted as expected. By these aggressive reforms in the agricultural sector, another disaster is going to happen to the farming community. So, I would urge upon the Government to think hundred times before implementing the drastic reforms in the agricultural sector. Coming to the Bill, the Bill can be termed as a contract farming Bill. And, contract farming worldwide has proved a failure. In such a situation my humble submission to the Government is that all these Bills may be sent to the Standing Committee for scrutiny, otherwise, there will be another disaster for farming.

SHRI VIRENDRA SINGH: Being a farmer and a parliamentarian, I want that this House may be united on the question of farmers. This Bill is a major step towards the prosperity of the farmers and strengthening of the farmer community and thus making the country self-reliant. I would like to say that this is the first

Government after independence which has worked for the prosperity of the farmers. Unless the farmer is prosperous, this country will not be prosperous. The farmers will prosper after the enactment of this Bill and the country will march in the direction of being a self-reliant nation. The Pradhan Mantri Kisan Samriddhi Yojana was launched in the year 2014 to enhance the prosperity of farmers under which farmers are provided six thousand rupees per annum. Again, the boundaries of all the States adjoins another State. But the farmers are unable to smoothly transport their produce to the other region because of the legal hurdles. Similarly, when the village farmer wants to take his livestock to another state, he is stopped on the border. Through this law, the Government has made arrangements to move agricultural products from one place to another which will increase the income of the farmers. We announced in the manifesto that we will work for the prosperity of the farmers and their well-being. That's why we have brought this law. Further, during the Covid-19 lockdown period, the Government of India has performed remarkably. During the Corona period, production in other industries stopped but agricultural production increased and the farmers ' work was not stopped. So, this law is being enacted to strengthen the rural and agricultural economy. Under the able leadership of the Hon. Prime Minister, the Government has resolved to make Sabal Bharat, a self-reliant India. The economic, social, political, and cultural prosperity of the farmers will make the country prosper and it will also work as the foundation for a self-reliant India.

SHRI K. SHANMUGA SUNDARAM: The Government's reform package starts with the amendment to the Essential Commodities Act and now these two Bills. Initially all introduced through the Ordinance route. Besides, it is not clear what gives the Government the power to legislate upon agriculture and intra-state trade, which are State subjects. It is true that trade and commerce of foodstuff is in the Concurrent List, but if states have the right to pass APMC Acts, surely, they have the jurisdiction to bypass APMCs. The Government should have done away with the export restrictions on agricultural commodities but that critical piece is missing from these reforms. Similarly, giving legal sanction to contract farming would help corporates enter the agricultural sector, and may increase the productivity. But would it help the farmers? Prima facie, the FAPAFS is unconstitutional and has little to offer to the millions of farmers who are currently engaged in contract farming through informal agreements of *theka* or *batai*. These reforms may increase agricultural productivity, improve food markets, but are unlikely to help farmers' income. By abolishing APMC, the Government is permitting the corporate sector to enter and replace the Agricultural Produce and Marketing Committee (APMC) which finances the farmers from the stage of sowing to market the produce. But if corporates enter the field, the farmers will be in distress to sell their produce at throw away price without any bargaining. The Bill is silent about the Minimum Support Price (MSP) which is essential for the

survival of farmers. Hence, the Government should stipulate mandatory rules for MSP.

SHRI KALYAN BANERJEE: This Bill is thoroughly unconstitutional, because this House cannot legislate a Bill in respect of agricultural produce under the Seventh Schedule to the Constitution. By this Bill, the right of the State to legislate the law in respect of agriculture sector is sought to be interfered with. The effect of the Bill is that big enterprises and middlemen will force the poor, illiterate, marginal farmers to enter into an agreement forcefully. There would be hoarding, black-marketing and profiteering of the agricultural produces by the big establishments and middlemen. The power of the State under the Essential Commodities Act, 1955 is sought to be taken away. Moreover, the farmers will be forced into litigations under Chapter III of the Bill. Although it will start from the conciliation process but ultimately, it will end in the Supreme Court of India. Would it be possible for the poor farmers to fight litigations if there is a violation of Clause of contract by the superior bargaining authority up to Supreme Court? In a country where more than 85 per cent cultivators are marginal and small farmers, the Bill does not actually seem to cater to the plight and safety of the poor farmers.

SHRI TALARI RANGAIAH: I support Farmers' Produce Trade and Commerce (Promotion and Facilitation) Bill, 2020 because it will enable barrier-free trade of agriculture produce. Earlier, the farmers in India suffered from

various restrictions while marketing their agriculture produce. Now, this Bill is a historic step to unleash the highly regulated markets in the country. Private investment, remunerative price, electronic trading platform and dispute resolution mechanism will surely help the farmers. The Kisan Rail has been sanctioned for my State, Andhra Pradesh, particularly, from my constituency Anantapur to Adarsh Nagar, Delhi. I am very grateful to both the Central Government and the State Government. This agricultural reform will surely bring benefits to the farmers as well as to the consumers and attract more private and foreign investment in the field of agriculture

SHRI RITESH PANDEY: The Government has promulgated these two ordinances in order to revolutionize the agriculture sector. But the Government which is known to be pro-farmer has not risen somewhere above its capitalist ideology. My first point is about the minimum support price which has also been raised by several other leaders of opposition parties. To double the income of farmers was an electoral promise made by the Government and if we go by this formula the minimum support price should have been doubled but the small and marginal farmers who constitute 86 per cent of our total population have been left to the mercy of the corporates and rich people by promulgating these ordinances. Moreover, agriculture is a State subject and the Union Government is undermining the federal structure by legislating upon this subject. Today it seems that the government has succumbed to the pressure of World Trade Organization after 25

years. Hence, it is urgently required to bring suitable amendments to this Bill in the farmers interest by taking cognizance to the voice being raised against these ordinances by the farmers of the country.

SHRI ARVIND SAWANT: It is our objective to make farmers prosperous at any cost as the country will never become prosperous unless and until the farmers are made prosperous. I know that there are about 2,477 APMCs, 4,843 sub-markets and 1,000 markets in the country and it has to be seen how the entire system is connected with all these things. There should not be any kind of conflict in it. We have also said that the efforts would be made to implement the recommendations made by the Swaminathan Committee.

This Bill is not going to benefit small and poor farmers. There should be formation of a farmer's organisation to take care of their genuine concerns. As far as the agreement is concerned, the terms and conditions must include an agreement over the quality of seeds. It should also be provided that no agreement would be below MSP. The increased use of chemical and fertilizers is likely to affect soil health. Given that, provisions must be made to check the deterioration of soil as well.

SHRI ANUBHAV MOHANTY: Farmers are often restricted to selling produce only to APMC-licensed traders. The Committee which grants such licenses is supposed to comprise elected farmers and traders, but is often dominated by traders. The Competition Commission of India has observed collusion amongst traders in APMCs. Poor infrastructure, lack of transportation and storage facilities

etc. affect farmers' earnings against their produce. The farmers with large land holdings are going to be benefitted and the interests of small farmers are likely to be hugely compromised. The Bill lacks clarity on the issue of payment to the unscheduled farmers. The legislative competence of the Central Government is also likely to be disputed as it may result in reduction of the revenue generated by the States with the prohibition of the imposition of the fee in non-APMC trade areas. The dispute resolution mechanism needs to be simplified. I request the hon. Minister to refer this Bill to the Standing Committee for scrutiny and clarity.

SHRI SANTOSH KUMAR: This Bill is going to provide the farmers with a market of their choice which would enable them to get remunerative price of their produce. In a way, the Government is going to actualize the concept of 'one nation-one agriculture market' through this Bill. There would be resolution of disputes through a transparent process. I would like to request the hon. Minister to set up a Maize Research Centre in my Parliamentary Constituency Purnia. It is necessary to facilitate maize growers. Alongside a Banana Research Centre and laboratory should also be set up there to support banana growers.

SHRI MANNE SRINIVAS REDDY: Farmers may be guaranteed MSP for all agricultural products. The rates may be revised depending on inflation and huge losses caused by natural calamities. Farmers with small land holdings accounting for nearly 95 per cent of total farmers should be given full social security. They should be made aware of the existing laws lest they should be misused by the

traders. Existing facilities available to the farmers must not be diluted. 'Rythu Bandhu Scheme' of Rs. 10,000 per acre per annum to each farmer for two crops before sowing the season launched by the Telangana Government has received applause among the farmers. Therefore, agricultural products must be put online showing the production of each item in each area.

DR. S.T. HASAN: In the first place I disapprove of the fact that farmers are invariably dependent on local agriculture market. As far as the issue of making farmers' income double is concerned, I fail to understand how their income got doubled while their produce has been so cheap. Incidence of farmers' suicide simply flies in the face of such hollow claims. Efforts should be made to reduce the input cost. I request the Government not to allow the corporate sector as they are likely to gain undue advantage in terms of determination of price. Farmer's prosperity is key to national prosperity. Hence, this must receive deserved attention of the Government. I vehemently oppose the Bill.

***SHRI SUNIL DATTATRAY TATKARE:**

***SHRI GURJEET SINGH AUJLA:**

SHRI JAGDAMBIKA PAL: The issue of farmers has always been discussed in this House. The farmers should get remunerative price for their produce and they must be empowered. All are accountable to the farmers, be it Treasury benches or the Opposition. At the time of Independence of the country, the contribution of

* Please see Supplement

agriculture in GDP was 45 per cent and now it has been reduced to 17-18 per cent. Our Government is going to empower them by providing them remunerative price for their produce. I think that after passing of this Bill, farmers of this country will have independence to sell their produce. Minimum Support Price will be continued and *mandis* will be there. Now, Farmers of this country can sell their produce in other states. Certainly, the chain of middlemen will be abolished. As per the Reports of the Swaminathan Committee, the farmers should get at least one and half times more of their production cost. During the last 70 years, the income in Government jobs has increased upto 150 times whereas it is only 21 times in case of farmers. Farmers are dependent on nature even today. Today 50 per cent farmers are still agricultural labourers. The percentage of small and marginal farmers is 82 per cent. Only 18 per cent farmers are such that have only two hectares of land. There is uncertainty in production and market prices remain volatile. Therefore, the interest of people in agriculture is decreasing. After passing of this Bill, certainly, the productivity will increase. Production will be cost-effective. There will be monetization of production. By this, the income of farmers will increase. The agreement with whom the farmer will sign, that will be in the domain of State. The State will make their registration and it will be electronic registration and therefore the concerned will be liable somewhere. The agreement will be signed by mutual understanding. I would like to congratulate

the Government that after so many years since Independence, today farming services are being discussed in this House.

During lockdown, our Prime Minister announced the distribution of foodgrains worth Rs.46000 crore for 80 crore needy people for six months. Hon. Minister of Finance announced a package of Rs.1,65,000 crore for creating storage and value addition facilities for agricultural produce and primary cooperative societies. The Government is going to further increase the number of Farmers' Production Organizations. The Government has also given funds for micro food enterprises, fisheries, animal husbandry, herbal plants, bee-keeping, crop insurance, soil health etc. Further, the Parliament is competent to enact law with regard to the sale of agricultural produce which comes in the Concurrent List.

***SHRI P.R. NATARAJAN:**

*** SHRI DHANUSH M. KUMAR:**

SHRI RAM MOHAN NAIDU KINJARAPU: Agriculture is a State subject. So, the legislative competence has to be looked into if this Bill can be enacted by the Parliament or not. The Central Government should ensure that the administrative machinery set up in the States under the APMC Act is integrated with the existing system once the provisions of this Bill come into effect. I would like to request the Central Government to use the power under the Bill to specify rules and allow unregistered traders also to go ahead with their business and give

* Please see Supplement

them some time to register themselves. The Government should set up agricultural tribunals for the purpose of dispute resolution mechanism. Further, the new law must find a way to address the risk of mono-culture farming which can lead to loss of crop diversity. The Government should ensure that the private players grant the Minimum Support Price to the farmers and the Government should look into other concerns of the farmers as well.

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SNEHLATA SHRIVASTAVA
Secretary General

**Supplement covering rest of the proceedings is being issued separately.

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NOTE: It is the verbatim Debate of the Lok Sabha and not the Synopsis that should be considered authoritative.

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