

# AP Farmers Associations Appeal to C A C P

You are aware of the fact that as per 77<sup>th</sup> National Sample survey the average farmers' household annual income is Rs.1,23,000/-. If the rate of inflation is taken into consideration it will come to around Rs. 9,000/- per month. It has also been stated that out of this 37% is from cultivation, 40% wage income, 15.5% from dairy activity. As per government's own admission the average net agriculture income to farmer's households per month is around Rs.465 for less than 1 acre holding, Rs.1,518 for 1-2.5 acres holding, Rs.2188 to 2.55 acres holding and Rs.4000 to 5 acres & above holding.

The 7<sup>th</sup> wage Commission has systematically estimated that Rs. 18,000 salary should be minimum to enable a family to lead respectful life. Now the 8<sup>th</sup> wage commission is likely to announce the new pay scales shortly.

In this background there is definite necessity on the part of the Union Govt. to render equitable social justice to the farmers who constitute 54% of the population, adding 17.8% to Nation's G.V.A. The recent announcement by the Govt. regarding minimum support prices to various crops for Kharif 2023-24 are far below the MSPs C2+50% suggested by Dr. M.S. Swaminathan. We are herewith enclosing chart showing how farmers are put to very very huge losses because of denial of C2+50% MSP.

You might also be aware of the fact, from the very beginning APC or CACP has been fixing lower MSP's to benefit the consumers & the industries. Tata Institute of Social Sciences (TISS) has estimated that during 1996 to 2008 the MSPs declared were 38% lower than actual cost of production.

You might also be aware of OECD-I.C.I.E.R. report which has stated that because of improper, lower MSPs prices, Indian farmers have lost around Rs.45 lakhs crores during 2000-2017. The ratio of average incomes between agricultural families verses Non agricultural families has increased from 1:2 in 1950 to 1:12 now.

You are also aware because of inadequate credit to marginal, small, tenant farmers from PSBs, very high interest credit from Money lenders, crop failures, inadequate input subsidy, inadequate compensations through crop insurance etc., have resulted in lakhs of farmers' suicides, which are continuing even now.

Losses likely to be incurred by farmers during 2023-24 due to denial of C2+50%:

Only 14% of farmers could get full benefit of MSP. So the gross loss to farmers will be much more. That is why SKM is demanding statutory MSP.

It is because of all these reasons, the Samyukt Kisan Morcha (SKM), an Umbrella Organization of more than 400 farmer organizations is demanding for implementation of statutory C2+50% MSP to all crops. You will find from the table, the huge loss farmers will incur with the present MSPs announced. So if the govt. is really particular to double the income of farmers, (As promised by Hon'ble PM), CACP should reconsider & announce fresh MSPs to all the crops on the basis of C2+50% formula with statutory backing.

In the absence of MSPs to commercial crops such as Chillies, Turmeric etc., Horticultural Crops such as Mango, Grapes etc., and social forestry spices such as Subabul and Eucalyptus plants, Industrialists, middle men, traders and exporters and cornering huge profits at the cost of farmers. There is urgent need to fix statutory MSPs for these crops also.

Our Andhra Pradesh Farmers' Associations Coordination Committee is a part of Samyuktha Kisan Morcha. On behalf of A.P. Farmers' associations coordination committee (APSKM), we are presenting this memorandum for your favourable consideration & necessary action to render justice to millions of cultivators who have toiled their best even during

Covid-19 pandemic to provide food security to the Nation, keep the wheels of industry run to produce goods & earn precious foreign exchange.

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