

# Agriculture in Andhra Pradesh – Central and State Legislations

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## 1. Legislative powers

Under our Constitutional scheme of the division of legislative powers, agriculture is primarily a State subject under **Entry 14** of List II (State List) of the VII Schedule. This empowers the State legislatures to enact laws pertaining to “*agriculture, including agricultural education and research, protections against pests and prevention of plant diseases*”. In addition, State legislatures can also enact laws related to the agriculture and allied sector under the following Entries in List II:

- **17** (water supply, storage irrigation, drainage and embankments),
- **18** (land rights and tenures, rent, transfer and alienation of agricultural land, land improvement, agricultural loans),
- **21** (fisheries),
- **45** (land revenue),
- **46** (taxes on agricultural income),
- **47** (duties in respect of succession of land), and
- **48** (estate duty on agricultural land)

Apart from the above, Parliament may also legislate on land acquisition, under Entry 42 of the Concurrent List of the Constitution

## 2. Key legislations enacted by the Legislative Assembly of Andhra Pradesh

Since independence and the creation of a separate State of Andhra Pradesh (1953), several legislations related to agriculture and allied activities have been enacted in the State. These legislations can broadly be categorized into the following important sectors/areas – A. land (including land reforms), B. Irrigation, C. Agricultural Marketing.

### A. Land

Land is a critical resource for agriculture, and also the most constrained resource in India. Since a majority of our workforce still makes a livelihood from agriculture and allied activities, the size of the average landholding in India is extremely small. 82% of all landowning farmers in India fall in the category of “small and marginal” who own less than 2 hectares of cultivable land.

After independence, various States enacted legislations to introduce land reforms in their States. This was meant to abolish Zamindari, initiate land consolidation and redistribute surplus land among the landless. Andhra Pradesh also enacted a series of laws for land reforms in the State. The following is the list of these Acts in chronological order:

- A.P (Andhra Area) Estates (Abolition and Conversion into Ryotwari) Act 1948
- A.P (Andhra Area) Inams (Abolition and Conversion into Ryotwari) Act, 1955
- A.P (Andhra Area) Tenancy Act, 1956

These Acts abolished zamindari (absentee landlordism) and introduce provisions for the protection of tenants. However, the law to impose a ceiling on land ownership and to initiate redistribution of ceiling surplus land was passed in 1973. This Act is called ***The A.P Land Reforms (Ceiling on Agricultural Holdings) Act, 1973***. The Act was included in the IX Schedule to the Constitution, guaranteeing its validity notwithstanding any judgment of any Court.

The Act:

1. Imposes a ceiling limit on agricultural holdings of a household
2. Mandates that all land in excess of the ceiling limit be surrendered.
3. Empowers the State government to constitute Tribunals for enforcing the provisions of the Act
4. Exempts government land and other land belonging to religious and educational institutions from the provisions of the Act

However, it is now widely believed that land reform legislations have not been implemented in their true spirit in most parts of the country. To ensure better implementation of this Act, the *A.P assembly amended the A.P Land Reforms (Ceiling on Agricultural Holdings) Act, 1973 in 2012 to ensure better enforcement of the provisions of this Act*. The most important provision of the new amendment is that it empowers the government to reopen cases of violation of the land ceiling provisions. Though there was widespread support for the spirit and intent behind this Amendment, concerns were also raised over the possibility of harassment of landowners by officials of the Department of Revenue.

### **Impact of the new Land Acquisition, Rehabilitation and Resettlement Act, 2013**

A new Land Acquisition Act enacted by Parliament in August 2013 has now replaced the archaic Land Acquisition Act of 1894. The key provisions in the Bill are that any land acquisition by the State, if not exempted from the provisions of the Act, can only be carried out after mandatory Social Impact Assessment, and with the consent of at least of a certain minimum share of projected affected families (PAFs). Also, the State government shall be responsible for granting adequate compensation, and also ensure resettlement of the affect families.

The law also includes certain provisions for safeguarding the interests of farmers, and also to ensure food security for the country. Some of the important provisions in the law concerning agriculture are as follows:

- **Multi-crop irrigated land** can be acquired only after demonstrating the need for such acquisition by the State government as a last resort. Also, such land cannot be acquired beyond the **limits** set by the State government in any case
- After acquisition of any multi-crop irrigated land, an equivalent area of culturable wasteland must be developed for agricultural purposes, or an amount equal to the value of the land acquired shall be deposited with the State government for agriculture

Apart from these other provisions for farmers in the Act include:

- **Compensation** for damage to standing crops in the process of land acquisition
- Entitlement of farmers to a share of **20% of the developed land** in proportion to the area of their land acquired
- **Fishing rights** in reservoirs could be granted in case of development of irrigation or hydel projects

## **B. Irrigation**

Andhra Pradesh has enacted 2 key legislations for the development and management of irrigation resources in the State.

### **1. The A.P Irrigation Utilization and Command Area Development Act, 1984**

This is the primary State law for the development and regulation of irrigation in Andhra Pradesh. The Act provides for “*an accelerated increase in agriculture and allied production in the State of Andhra Pradesh through a programme of comprehensive and systematic development on scientific and modern lines of command areas, comprising measures, for optimum, use of lands and water, prevention of land erosion and water logging, improvement of soil fertility and regulation of cropping pattern, and for proper maintenance and upkeep of irrigation systems in the State for ensuring maximum benefits to the cultivators under the command areas*”.

However, based on global experience as well as experience from other parts of the country, it was felt that direct involvement of the cultivators through a well-defined structure of roles and responsibilities at each level would facilitate

the management of water resources down to the pipe level at the farms. To provide for such a framework, a law was enacted by the A.P Assembly in 1997. Several studies by the Planning Commission as well as organizations like the FAO have acknowledged the impact of Participatory Irrigation Management (PIM) ushered in by the Act.

## 2. The A.P Farmers' Management of Irrigation Systems Act, 1997

The Act provides for a multi-tier institutional structure for Participatory Irrigation Management (PIM), as shown in the figure below. The key institution in this framework is that of Water User Associations (WUAs) whose role is to regulate and distribute water within the command area.

- Among other things, the WUAs are empowered to levy fees from users of the irrigation facilities for the maintenance. Different Committees also act as appellate bodies for the settlement of any disputes arising at a lower level Committee.
- There are also provisions for auditing of the accounts of such farmers' organizations to ensure transparency

The members of the WUAs are elected by all users in a particular region, including landholders as well as tenants. This ensures that the process is participatory and inclusive, and irrigation maintenance is not monopolized by the minority landowning users.

This legislation has been described as "revolutionary" in the sense that it ushered in a new legal framework for irrigation management, which has since been adopted by many states in India, such as Gujarat, Maharashtra and Madhya Pradesh.

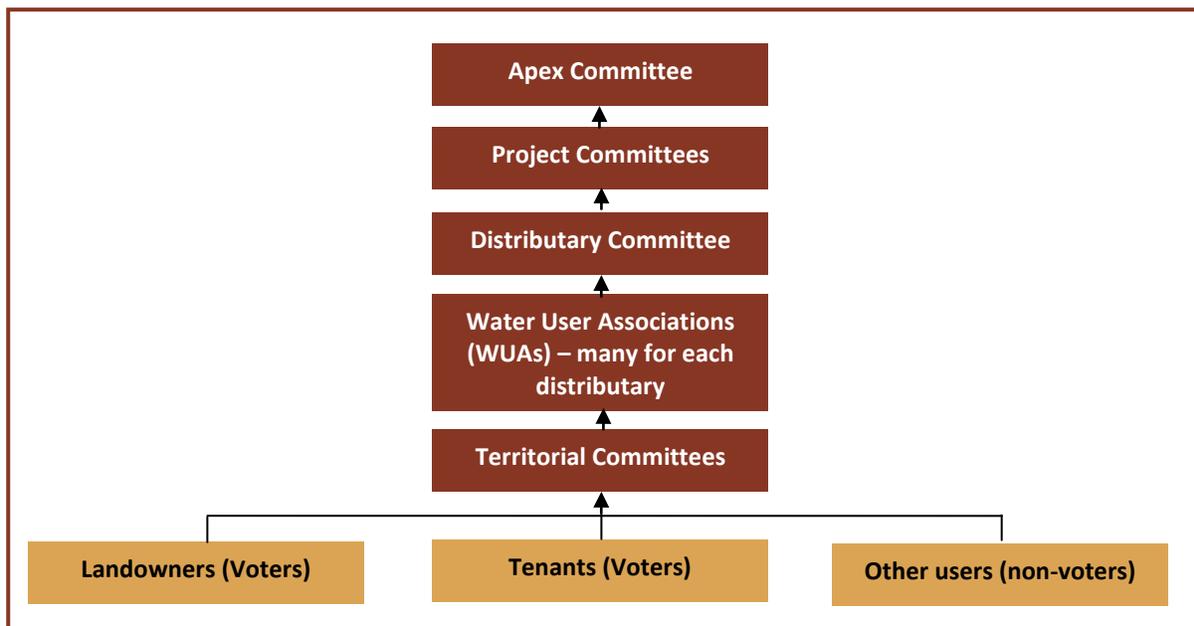


Fig 1: PIM Structure in Andhra Pradesh

## C. Agricultural Marketing

Every State in India has enacted a legislation to regulate the sale of agricultural commodities. Such laws are generally referred to as Agriculture Produce Marketing Committee (APMC) Acts, as the APMCs are the principal bodies responsible for regulation of trading in agricultural commodities. Over time, these legislations began to be seen as hindrances to the development of an efficient and remunerative system. The APMCs are often controlled indirectly by the trader lobbies and other middlemen, leaving the farmers with no say in the sale of their produce. Additionally, the lack of storage infrastructure leads to massive wastage of commodities, particularly perishable items such as fruits and vegetables.

Realizing the inherent problems with the heavily regulated APMC system, several State legislatures have amended their APMC Acts in the last decade, especially after the Central Government drafted a Model APMC Act as a model for States.

Different States in India have liberalized the agricultural marketing sector in varying degrees through amendments to their APMC Acts. While states like Bihar have repealed their legislation entirely, Andhra Pradesh has introduced progressive changes in its Act

The Andhra Pradesh Assembly introduced the following changes in the Andhra Pradesh (Agricultural Produce and Livestock) Markets Act, 1966. These changes were initially introduced through an Ordinance, and were later inserted in the law through a legal enactment by the State Legislature.

- **Special Markets** (*new Section 5A inserted in the original Act of 1966*) with **Special Market Committees** in a particular area for the purchase/sale of notified commodities, including fruits, vegetables and livestock. The Special Market Committees would have representation of farmers, traders and member(s) of the Municipality or Panchayat in the area
- **Private Market yards** may also be established in a notified area after payment of the license fee (*amendment to Section 7 of the Act of 1966*)
- Provision for establishing a **National Integrated Produce Market** (*new Section 7A inserted in the original Act of 1966*) in any part of the State, which would be owned and managed by the National Dairy Development Board for fruits, vegetables and flowers.
- Contract farming (*new Section 11A inserted in the original Act of 1966*)

Apart from these, other progressive changes to the agricultural marketing system in Andhra Pradesh are as follows:

- Provision for **e-trading**
- **Direct selling** of agricultural produce by farmers' organizations/collectives
- Single-point levy of market fee

## References

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3. *Participatory Irrigation Management in Andhra Pradesh: a Quick Review of 7 years of experience*” – Planning Commission
4. “*Status of Agricultural Marketing Reforms*” – Gokul Patnaik, IGIDR

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