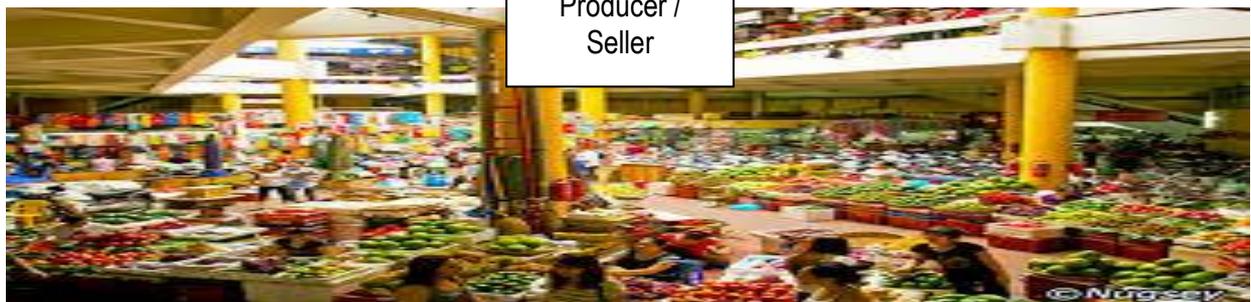
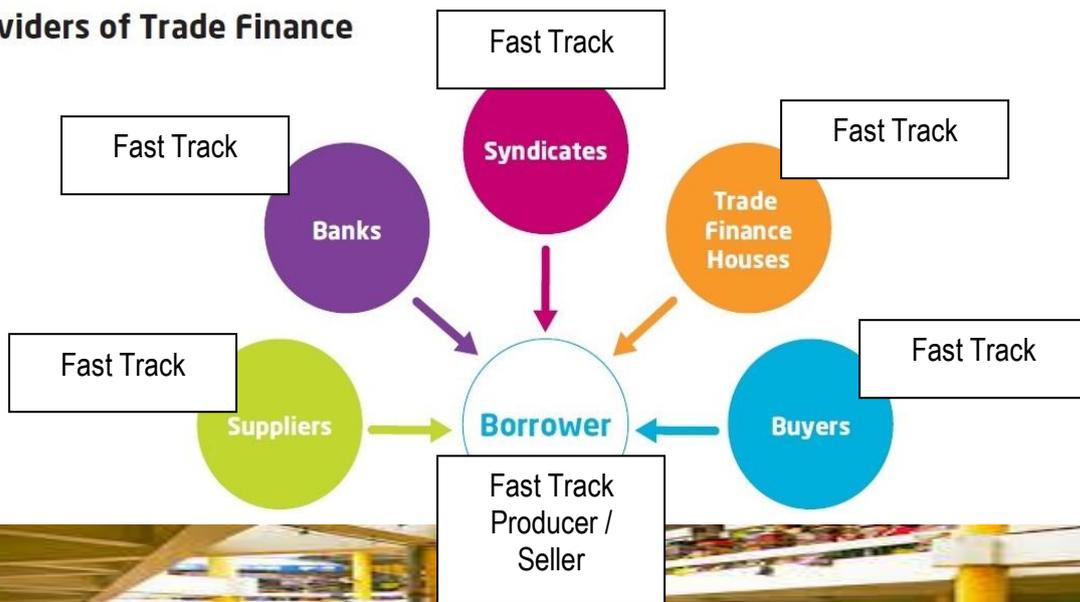


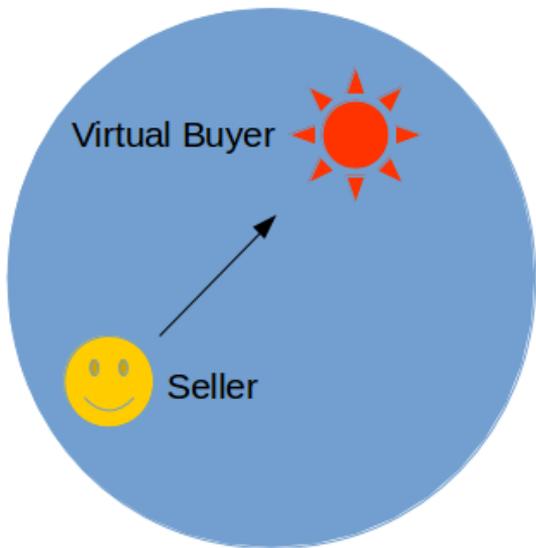
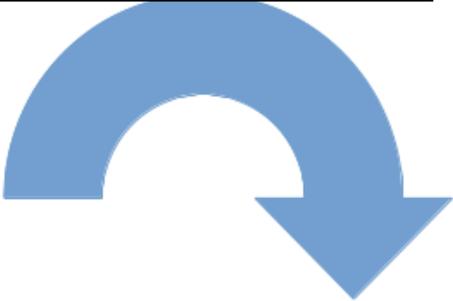


Providers of Trade Finance



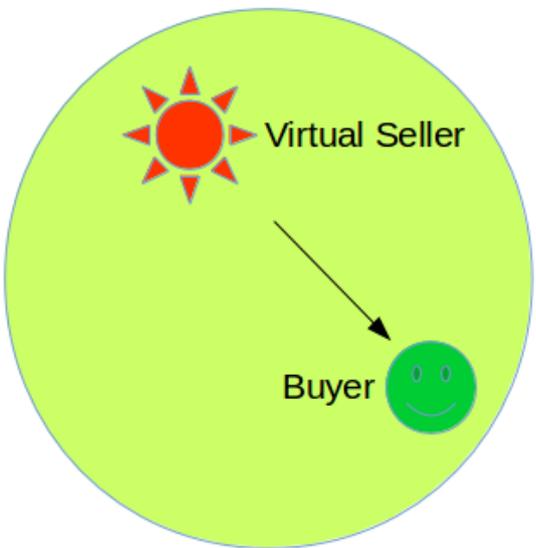


Fast Track Market



Fast Track

Exchange A



Fast Track

Exchange B

Part of a MSRUAS Group Assignment Submission for the year 2017-2018

1.6 Suggest any field level data gathering that can help:

We recommend that farmers should register their profiles and agricultural investment details with the concerned authorities. The tabulations that follow describe the data that can be gathered.

Table 1.6 – KYC (Know Your Customer/Farmer/Grower) registration and profile

Fast Track Serial No:

Lookup

Date:

Name of farmer or grower:

Lookup

Address or location:

State:

Districts:

Year established:

Affiliated to:

1. Fast Track category (Tick as applicable):

Farm

Plantation

Garden

Cultivable plot

2. Summary of crops or produce grown:

3. Summary of classification of crops:

4. Summary of seasons for harvesting:

5. Growth or evolution of business since inception:

6. Whether managed by the Central / State government / Private organization/ Association/ Owner:

7. Working days /hours (as relevant to the Fast Track category):

8. Number of people working for the producer:

9. Number of temporary helping hands:

10. Is the farm/ garden/ plantation/ cultivatable plot purely for growing/ for business/ for own consumption/ for research and data gathering:

11. Are contractual agreements used for cultivation/harvesting/ management of the site/ farm/ garden/ plantation/ cultivatable plot?

12. Role of the government/any affiliated organizations in seeding/ cultivation/crop rotation:
Well-defined/ Not well-defined/ Not clear/ Not available/ Not relevant

13. Do government officials/designates make visits?

14. Is periodic inspection done or consultation offered?

15. Has any consultation or recommendation been followed? Yes/No/Partially/Not applicable

16. Nature of consultation or recommendation:

17. What are the known issues affecting this producer/farmer/grower?

18. What are the threats faced by this producer/farmer/grower?

19. What priority is being shown by producer to mitigate issues/threats? Low priority/Medium priority/High priority/Escalated priority

20. What is the recommended adherence level for norms/practices/readiness for climate change? Low priority/Medium priority/High priority/Escalated priority/Needs investigation/Information not available

21. What were the known or advised green measures / practices adhered to (in the past)?

22. What are the known or advised green measures / practices being adhered to (today)?

23. What are the known or advised green measures / practices that will be adhered to (planned)?

24. Has the Climate Change Mitigation Readiness (FTM*) pamphlet been provided?

25. Has the same been explained?

26. What mandatory checks from Climate Change Mitigation Readiness (FTM*) pamphlet have not been adhered to?

27. Reasons for why they were not adhered to:

28. What did not help the producer/farmer/grower, though this was mentioned in the Climate Change Mitigation Readiness (FTM*) pamphlet?

29. What could not be implemented or practiced, though this was mentioned in the Climate Change Mitigation Readiness (FTM*) pamphlet? .

30. Have the issues/feedback details for the pamphlet, been assessed and follow-ups been explained?

31. Other comments:

32. Refer sub-tables 1.6.1 and 1.6.2 for more in-depth details (as per need of the Fast Track Market)

Table 1.6.1 – KYC and crops details

Cropping pattern	Crops grown	Other details
Rabi crops		
Kharif crops		
Zaid varieties		
Based on a Seasonality calendar		

The seasonality calendar is a calendar prepared by an Advisory panel or representative. It identifies the variety of crops that need to be grown by a farmer (instead of the usual varieties) when there is a need to mitigate climate change threats in a region.

The seasonality calendar will help a farmer productively sustain through conditions of unpredicted rainfall, flash floods, hailstorms, drought and severe weather.

Table 1.6.2 – KYC and resources used

Resource categories	Details of how these resources are used in farming	Other details
Agricultural inputs (Seeds, saplings, seeding policy and management)		
Natural and man-made resources (policy for soil utilization, soil testing)		
Natural and man-made resources (Water management)		
Natural and Man-made resources (Energy management)		
Man-made resources (Farm implements)		
Natural and Man-made inputs (Manure, fertilizers, pesticides)		
Man-made resources (Implements for application of manure, fertilizers, pesticides)		
Man-made resources (Storage management)		
Man-made resources (Stock management)		
Man-made resources (Packaging)		
Man-made resources (Pest control)		
Man-made resources (Disaster management)		

1.7 Suggest a solution to the issue:

Suggested solution: Develop a Fast Track Market

1.7.1. Justification

The new Fast Track Market (framework) can isolate the farmers from many interim loopholes to thereon register and sell their produce in local, country wide or global markets, where legal assistance ensures that the farmer does not need to involve himself or herself in different levels of details, but can depend upon an expert panel to protect them from differences in governance and associated system failures due to the various **Factors*** identified earlier.

1.7.2. Projected target segments

Segment 1: Farmer or grower **societies, call centres, contact centres, surveillance centres**

Segment 2: **Large and medium scale farmers or growers** who are tech-savvy and interested in safe, green and sustainable practices

Segment 3: **Small-scale or poor/uneducated farmers or growers** who are not tech-savvy but need their farming practices to be sustainable and adept (keeping in mind the global warming and climate change problem that is setting in)

Segment 4: **Exclusive or selective farmers or growers** interested in case to case assessments

1.7.3. Key considerations

1.7.3.1 The first step is to get (farmers or growers) producers to declare need for assistance

Fast track clearance for the produce of a producer/ or co-producers is becoming important as there are possibilities that the produce will be affected by climate change mitigation issues, or a sudden drop in demand or prices or even unpredictable cash crunch situations.

This Fast track clearance could be aided by an Advisory panel, Contact Centre or Surveillance Centre, where the Fast track clearance solution will mitigate risks affecting produce found to be prone to fiscal policy changes, price drop or demand drop.

1.7.3.2 Looking back at what can be offered when there is a crop failure

The normal approach expected is that crop insurance should consider this scenario and clear the appropriate amount as compensation when such an issue occurs.

1.7.3.3 Looking introspectively at unsold or surplus stock

Availing insurance is not the only solution in these cases, as the produce may become a liability that may be wasted or destroyed to help the farmer subsist

1.7.3.4 As all counter action during cash crunch, price drop or demand drop is based on individual belief systems, we need to understand possible scenarios

- a. Not having money, resources or facilities to produce, will in turn cause an imbalance in the supply chains & associated ecosystems, and this in turn will transform into other problems, risks and threats.
- b. Destroying produce may lead to loss of produce, loss of ecosystem balance, and loss of effort raising concern about the resources utilized till date to grow the produce.
- c. Wastage of the produce may lead to disease causing bacteria, microbes and harmful emissions when decay sets in etc.

Hence, the Advisory panel that this producer is registered with - will need to protect the "producer, produce and the environment" via its fast track solution.

We now proceed to review crucial highlights on what could be part of such a fast track solution.

1.7.4. Designing the fast track solution

Step 1: Creating a fast track market across the globe

1. Identifying purchasers from sensitive locations that may be prone to
 - a. Natural disasters like earthquakes, floods, cyclones, hurricanes, famine, drought, heat wave, cold wave etc.
 - b. Man-made disasters like fires, attacks by pests, degradation of the environment, soil infertility, infrastructure or farm implements failures etc
 - c. Migrants or refugee entry, where the local functionaries will not be able to predict any demand for food and consumables earlier
2. Identifying purchasers from across the globe locations affected by reduction in public investments in the agriculture sector, where this could cause a pull effect.
3. Identifying purchasers from across the globe locations that announce reduction in the import duties levied on agricultural products, where this could cause a positive-demand effect.
4. Identifying interested non-profit organizations or NGOs (Non-governmental organizations) from across the globe locations where community benefits are quite significant.

Step 2.A: Assistance and Guidance to help grow produce for the fast track market

1. Farmers or growers registered with the fast track market should be recognized entities that are provided help in the form of cash or credit to grow their produce.

To do this, the farmers or growers must be given a green seed capital that can be used during a particular period, where the farmer or grower must thereon submit an account of earnings, losses, expenses, liabilities incurred at the end of the period so tallying can be done.

2. These recognized farmers or growers must also be provided assistance and guidance to ensure they can avail of adept resources, facilities and infrastructure, where the same can be provided on a green seed policy basis that ensures the farmer or grower can slowly repay money for costs incurred.

3. These recognized farmers or growers must also be assisted in preparing price tabulations for their produce, where they can identify thresholds of variance to ensure sales ensure subsistence or sustainable farming.

These price tabulations will need to be consolidated by the governing bodies of the fast track market, to print coupon books of different denominations that must be made available to the purchaser to facilitate easy transactions.

The (new) green seed capital system will ensure farmers or growers are treated on par with other business owners. It will also help the government disentangle farmers or growers from inflation, cost crisis, demonetization issues and other fiscal policy issues that can affect the farmer, the supply chain, the end-consumer and also finally the environment.

The (new) green seed policy system for resources, facilities and infrastructure, will help the government universally ensure that farmers or growers move to sustainable farming practices without being affected by personal limitations.

The coupon system similar to the one in milk diaries cooperatives will ensure that people will not be affected by unpredictable rises in prices, decisions related to demonetization, or other changes that may favor a cashless system, where all this can add to the difficulties in purchasing or supplying agricultural produce. The mode of payment for these coupon books can either be cash, debit or credit card, or other e-Cash services. Sellers or other supply chain entities receiving the coupons could get the same converted into cash, credit or other supply chain related provisions.

Step 2.B: Accelerators to help sell produce in the fast track market

1. There should be a less basis for competitive differentiation (based on technological intelligence and tech-savvy abilities) but more focus on the hazards or harm that any wastage or destroying of concerned produce can cause.
2. The possibility of such a producer committing acts of self-destruction or acts that could mean a loss to the agricultural sector (on the basis of the profile information that is available with the panel).
3. Show of appreciation of any mitigation driven farming or growing systems or procedures that has been followed by the producer (as responsiveness for the globally vital factor i.e. green farming).
4. Adherence to any Green Disaster risk probability that may have been identified earlier during any registration procedure of the producer.

Step 3: Reaching for the market (by interested producers)

a. **Drawing investment:** Providing information about the profile of the producer and any vendor guidance sought could help estimate the green seed capital, and also understand the cost factor and technology relevance in growing the produce.

This information could be added to the details related to the produce to ensure fair purchase and any subsequent bargaining that must be within limits.

b. **Branding:** Adding information about the quality and health influencers of the produce could also help the producer reach out to conscious buyers.

c. **Displaying Fast track credits:** Adding a credibility basis to the producer and his or her produce in this market could help make the system more transparent.

Step 3.A: Fast track credits could be defined based on

Credit 1: Projected global demand for the produce

Credit 2: Projected country wide demand for the produce

Credit 3: Projected state wide demand for the produce

Credit 4: Projected region wide demand for the produce

Credit 5: Projected location wide demand for the produce

Credit 6: Any emerging industry based demand for the produce

Credit 7: Any proactive and responsiveness based demand for the produce

Credit 8: Seasonality calendar based demand for the produce

Credit 9: Land sanctions and legality based adherence by the producer

Credit 10: Belief system based demand for the produce

where Credit 1 could be the highest ranking and Credit 10 could be the lowest ranking, where producers and produce with the highest credit ranking will be preferred in the priority for purchase pipeline.

Step 3.B: Facilitating change

If there are purchases that intend to overlook any fast track credit associated with the producer and produce, this decision will need to be justified and agreed upon to prevent any collateral damage or unwarranted loss from affecting other preferred producers.

1.7.4. Tangible issues in creating such a market

1.7.4.1. Non-existence of accountable assistance and guidance for complete seed-to-market lifecycle during scenarios like demand or supply fluctuations, climate change, cash crunch periods, and other market related dynamics.

1.7.4.2. Non-existence of right methodology for harvesting, packaging, and storing of fast track produce till purchase.

1.7.4.3. Non-existence of right methodology for transporting fast track produce from producer's location to consumer's location.

1.7.4.4. Non-existence of right methodology to reduce learning curve among producers who just produce without much knowledge acquisition.

1.7.4.5. Non-existence of a technology based solution that ensures skilful interfacing between producer and consumer when demand versus supply is not well-timed or well-defined.

1.7.4.6. Non-existence of any Behaviour Model that can be associated with a producer to help ensure that the fast track clearance can alleviate his or her problems.

1.7.4.7. Non-existence of any subsistence based policy that can fund infrastructure, disburse cash or credit schemes, provide resources and coordinate services to help producers via a fast track market.

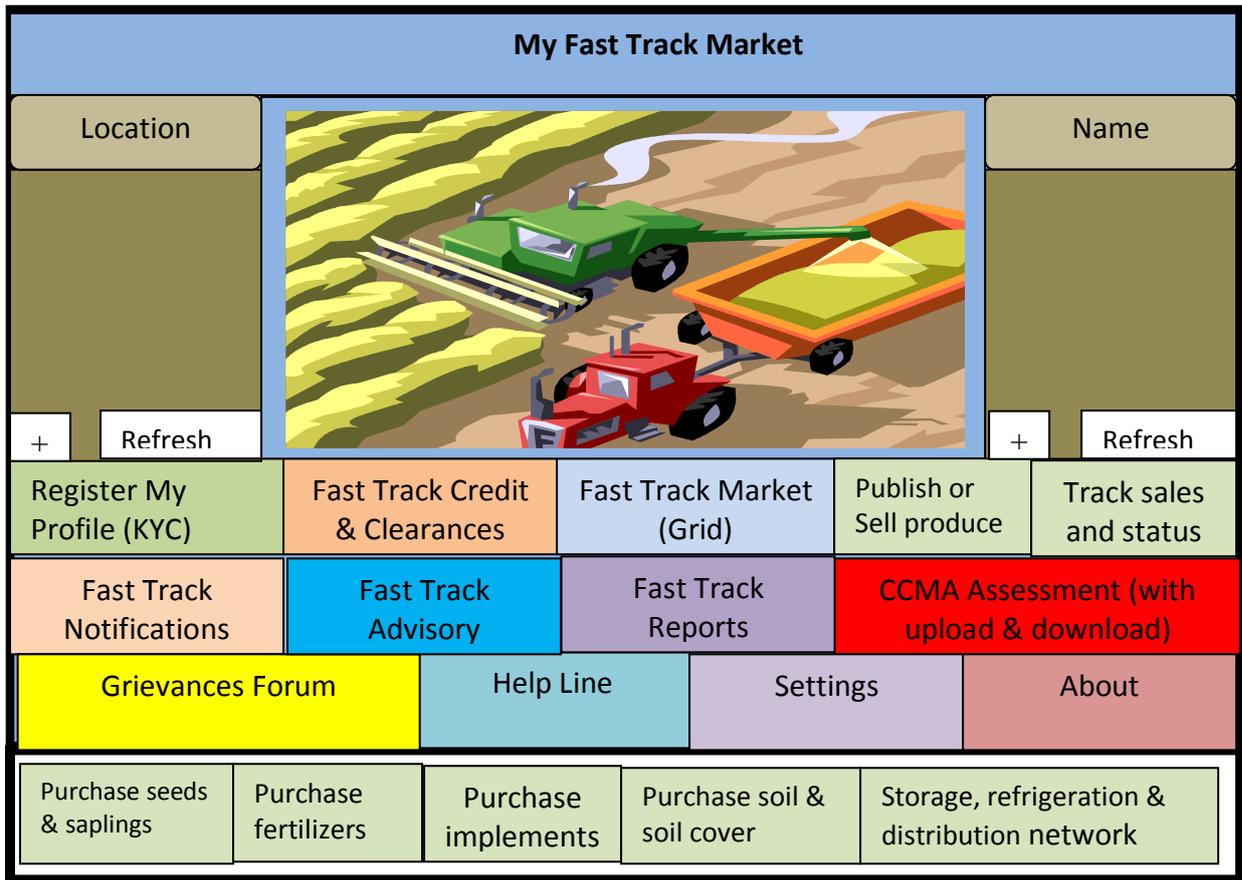
1.7.5. As the money put in will need payback

It may be important to understand the openness in the producers and consumers for paying a fast track service fee that is a small percentage of the amount involved in each sale or purchase via the fast track clearance solution.

Both ways this kind of solution will prevent new cross-realms from affecting the agricultural industry keeping in mind that climate change, global warming, cost crisis, cash crunch and critical grievance redressal will soon shape all our lives.

For the evaluator it needs to be said that this section on addressing demand drop or price drop is a projection on what can be done. It has not evolved after any consensus being drawn for **infrastructure provisions** by any policy making authority and needs to be treated as an opinion.

1.7.6 Prototype of the user interface of the mobile application for farmers



Explanation:

1.7.6.1. Register My Profile (KYC) – This button helps a mobile user register the profile of a farmer (if new) else it will display the existing profile of a given farmer. **Refer to Table 1.6 for more details.**

1.7.6.2. Fast Track Credit and Clearances – Clicking on this button will display the credit rating for a farmer. It will also display the clearances given to the farmer on the basis of compliance or non-compliance (for different aspects important for the Fast Track market).

1.7.6.3. Fast Track Grid – Clicking on this option will display the following details in the central panel



(a) Clicking on Global markets will display the names of other countries that may be interested in purchasing the farmer’s produce (as entered in the KYC option). Clicking on a country will display the names of customers like importers, agro-processors, suppliers, value-added resellers, private individuals and other businesses registered as purchasers in the Fast Track market.

(b) Clicking on country-wide markets will display the names of the other states that may be interested in purchasing the farmer’s produce (as entered in the KYC option). Clicking on a state will display the names of customers like importers, agro-processors, suppliers, value-added resellers, private individuals and other businesses registered as purchasers in the Fast Track market.

(c) Clicking on local markets will display the names of the purchasers (like importers, agro-processors, suppliers, value-added resellers, private individuals and other businesses) interested in purchasing the farmer’s produce (as entered in the KYC option).

Clicking on the name of a purchaser in each of the above options will invoke a screen that helps a farmer enter into an enquiry or sales transaction with the purchaser.

1.7.6.4. Publish or Sell produce – Clicking on this option will display 2 sub-options that is publish and sell.

Clicking on the publish option will permit a farmer to publish branding details of produce with certain other details related to growing practices, quality assurance, safety and other climate change mitigation practices followed.

Clicking on the sell option will help a farmer enter into an enquiry or sales transaction with purchasers interested in the Fast Track market.

1.7.6.5. Track sales and status – Clicking on this option will help a farmer review sales transactions with associated status (in the central panel) under categories such as

- (a) Enquiry in progress
- (b) Transactions under negotiation
- (c) Ongoing transactions
- (d) Delayed or pending transactions
- (e) Transactions under Fast Track scrutiny
- (f) Transactions with issues or complaints
- (g) History

1.7.6.6. Fast Track Notifications – Clicking on this option will display various Fast Track alerts, updates and notifications (related to the farmer, registered profile and the Fast Track network)

1.7.6.7. Fast Track Advisory – Clicking on this option will display various Fast Track advisories, recommendations and highlights (related to the farmer, registered profile and the Fast Track network)

1.7.6.8. Fast Track Reports – Clicking on this option will display the links of various Fast Track reports, Expert panel communications and Case reviews (related to the farmer, registered profile and the Fast Track network)

1.7.6.9. CCMA Assessment – Clicking on this option will help a farmer upload response to any Climate Change Mitigation & Adaptation (CCMA) assessments and also download a Review of any earlier submitted submissions.

1.7.6.10. Grievances Forum – Clicking on this option will help a farmer record, monitor and update any complaints raised (related to the experience of selling or purchasing via the Fast Track market).

1.7.6.11. Help Line – Clicking on this option will help a farmer use the help services provided by the Fast Track market and its advisory panels.

1.7.6.12. Settings – Clicking on this option will help a farmer configure any preferences and settings thought important for the farmer and need to use the mobile application.

1.7.6.13. About – Clicking on this option will display the name of the mobile application, its version and list of patches installed. It will also help the farmer know the current status and details of the subscription to the Fast Track market.

1.7.6.14. Purchase seeds & saplings – The mobile application will help the farmer buy seeds and saplings important for produce. The sellers and products listed would need to be registered with and screened by the Fast Track network.

1.7.6.15. Purchase fertilizers – The mobile application will help the farmer buy certified manure and fertilizers important for produce. The sellers and products listed would need to be registered with and screened by the Fast Track network, wherein all transactions involving the purchase of fertilizers and pesticides will be immediately communicated to an Advisory panel designate. The designate will closely monitor the timing of the purchase, the quantity procured and the dates of utilization.

Critical step to prevent suicide incidences amongst farmers

All farmers registered with the Fast Track will need to have entered into an agreement to facilitate close monitoring of the purchase, storage and utilization of fertilizers and pesticides. The agreement will mandate that the farmer must open the seal of the bag of fertilizers and pesticides in front of an Advisory panel designate, remove and utilize the right quantity and once again seal the bag until the next date of application.

The farmers will also need to adhere to certain policies or norms related to the measuring jars, the quality of the implements to be used for application of fertilizers and pesticides. This will help prevent uncontrolled, wrong or adversely impactful utilization.

This step will help the government control the scenarios of farmers procuring harmful fertilizers and pesticides in an uncontrolled manner, and thereon misusing them when they are under stress or pressure to sustain when conditions turn unfavorable.

1.7.6.16. Purchase implements – The mobile application will help the farmer buy certified farm implements and equipment important for produce. The sellers and products listed would need to be registered with and screened by the Fast Track network.

1.7.6.17. Purchase soil and soil cover – The mobile application will help the farmer buy certified soil or soil cover important for produce (in cases of top soil depletion, land degradation or lack of fertility). The sellers and products listed would need to be registered with and screened by the Fast Track network.

1.7.6.17. Storage, refrigeration & distribution network – The mobile application will help a farmer use the Fast Track network to get best practice recommendations, utilize infrastructure & avail of assistance related to storage, refrigeration and distribution, keeping in mind that all farmers may not be equipped to sell to country-wide or global markets.

In cases of need, the mobile application will also provide infrastructure along with assistance to farmers selling to local markets.

1.8 Conclusions

We can improve agriculture in India by

1. Good transport facilities
2. Irrigation facilities
3. Institutional facilities
4. Proper marketing facilities
5. Supply of quality inputs
6. Consolidation of holding
7. Agricultural education
8. Reduction of population on land
9. Provision of better manure seeds
10. Development of cottage and small-scale industries
11. Development of a Fast Track market

Additionally

Agricultural production is subject to many uncertainties.

Any farm production decision plan is typically associated with multiple potential outcomes with different probabilities. Weather, market developments and other events cannot be controlled by the farmer but have a direct incidence on the returns from farming.

In this context, the farmer has to manage risk in farming as part of the general management of the farming business. Hazards and unforeseen events occur in all economic and business activities and are not specific to agriculture. However, farming risk and risk management instruments in the sector may have a certain number of specificities.

Risk management instruments and strategies

The last section presents evidence of many potential sources of risk in agriculture. **The farmer is the agent that is best positioned to know the dimension, characteristics and correlations of the risks that affect his farm. He is also the best positioned to evaluate the availability of different strategies to deal with this risk.**

A. Generic strategies to reduce risk

Diversification strategies also follow the same principle. **A farmer diversifies when he uses his resources in different activities and/or assets instead of concentrating them on a single one. If returns of these activities or assets are analytically correlated, the variance of the overall returns is reduced and, therefore, the costs associated with risk are also reduced.**

B. Implementing hedging with future price contingent contracts

The possibilities for covering price risk have been expanded with the use of options on futures for some commodities. This section is part of the MSRUAS report. We can introduce **“Co-governance” minimum support pricing (or CGMSP for an A-Z VFA Theme Portfolio)** for farmers in climate change impacted occupations

C: The agricultural sector needs to improve how risks are dealt with

The sector needs to improve the available information about location, frequency and impacts of past catastrophes affecting agriculture, where there is focus for the following:

- ☐ The types of risks or events that are targeted by agricultural disaster aid.
- ☐ The available instruments to deal with catastrophic risk.
- ☐ The agencies, institutions and procedures involved in decision making after a catastrophic event affecting agriculture, including all levels of government and non governmental agencies.
- ☐ A review of interventions in response to disaster or catastrophe in agriculture, where focus is given to Type of event, frequency, Type of government action and costs.

D. The sector needs to implement better mechanism to deal with sustenance, Insurable or marketable risk

There should be a comprehensive review of the type of risks and events that are or are not traded through risk market instruments, where there is focus for the following:

- ☐ Activation for Farmer Sustenance via co-governance and projects
- ☐ The availability of market or mutual instruments to deal with risks in this country, including data on the degree of use of each instrument.
- ☐ The reasons why some of these instruments are absent.
- ☐ The role that government plays in the creation of these markets and instruments. The government intervention in subsidising these instruments (if any): private/public partnerships and also ensuring there is sufficient data collected on the relief provided by subsidies can improve the economic performance of the agricultural sector.

Agri products in India can be processed or consumed naturally

