

by **Bhuwan Bhaskar** (Sri Ganganagar)

A SILENT REVOLUTION IN THE CORNER TOWN



Jai Singh Mahala has his native farm land in Sri Ganga Nagar where he has sown guar. Earlier he used to sow cotton on the best part of his land, but now it is all guar. Not only in Gangana-gar and in Garsana but also in Jodhpur, where he bought 100 bighas (one bigha in Rajasthan is measured by 165 ft into 165 ft) of land last to last year. For Mahala, it is just a traditional way of investing money at its origin. Sitting in his plush office on Suratgarh Road, he tells that he also has a business of supplying building construction materials. But still farming is his first love. And Mahala is just another name in Sri Ganganagar.

So, what's the big deal? Small cities witnessing face-lifts all across the country make no news. Real estate prices springing multifold within a couple of years finds no mention on the news boards. Brands, malls and showrooms making beeline in a small town catches no ears and eyes in the times of emerging Indian economy. But, if a small town does these all without a single big industry having been set up in nearly a decade or without any expatriate receivables or without any other visible reason, that does make a story worth telling. When Adam Smith wrote in his all-time famous book "Wealth of Nation" that agriculture is the real wealth of a nation, he would not have had ever imagined that some small town in

the North-West Rajasthan would be making his theory an example by living someday. But, Sri Ganganagar, the frontier district on the Pakistan border in west and common map line with Punjab in north, has done exactly the same. As a district with more than 70% agrarian population, what Sri Gangana-gar has achieved could prove to be as a draft model for the growth and prosperity of the whole rural India. What all we need is to provide a market place and the awareness among farmers to use it in their benefit. The good news is that profit creates that needed awareness by itself and Sri Ganganagar has showcased it very successfully.

The main produce in the historic Ganganagar, named after Maharaja Ganga Singh of Bikaner, comprises Guar, Cotton and Mustard. Blessed with Gang canal, visualized by the Maharaja after the infamous famine in 1899-1900, which brought water to the region in 1927, Sri Ganganagar had already been on the national agri map for decades. Additionally it also got the Indira Gandhi Nahar Pariyojna (IGNP) canal, the biggest ever canal project in Independent India. But, being a border district with some parts of it sharing the arid landscape of Thar Desert, it generally escaped the eyes of the market. Till a decade ago, the main crop in the area was cotton and mus-

tard. That amazingly, in spite of the fact that the district was part of the region which used to produce globally sought after commodity of Guar. Because, the farmers didn't know exactly what to do with their produce of guar, which is used as a vital supporting product in the extraction of crude oil and shell gas. Besides, it is also used in making baked goods (as a dough improver), cheese (as a texture improver), Ice Creams (as smaller ice crystals) and fried products (as an oil uptake reducer). As a matter of fact, only 10% of the total guar produce is consumed domestically and 90% is exported. Moreover, 80% of the commodity is produced only in western and north-west parts of Rajasthan and some parts of Haryana. Nevertheless farmers didn't know what price they should ask for their produce. The result was windfall profits for middlemen, who used to procure guar from farmers at throwaway prices and sold them to millers with high margins. Millers too were facing problem as they were unable to meet the global demand because of paucity of the produce. Naturally, the farmers were not very enthusiastic for its production due to lack of any incentive.

In the later part of the last decade, the farmers found the way finally. After the leading commodity exchange NCDEX

started a contract for trading in guar, everything changed forever. “Guar got the platform only due to exchange”, says Mr. B D Aggarwal, founder promoter of BSE listed Vikas WSP. Vikas WSP is the biggest and the oldest company involved in the processing of guar and Aggarwal is fondly called the King of Guar in the region. “Exchange is a very important tool. Nothing is better than this for the industry and the consumers. I couldn’t have run my plants in the manner I have been doing without the exchange”, says Aggarwal. Due to the NCDEX’s contract, the commodity found a reachable-to-all market place where the buyers and sellers started to meet directly online. The resultant was a transparent price discovery that made farmers to go for the produce increasingly. Moreover, the nature of guar helped in increasing its quantity of production. “Farmers need to care about cotton like a kid. It seeks a plenty of water too, comparatively. But you see, guar flourishes with least care. A farmer just sows it and forgets. It needs water only two times to survive. Third time is a boon for it. Now, you tell me, who will go for cotton if we have guar as an option”, says Shyam Sunder Bansal, a farmer who has sown guar over around 70% of his land. The cycle for guar is only from 3 to 4 months and it replenishes the soil with essential fertilizers besides nitrogen fixation. Cotton, on the other hand, takes 6 to 8 months to fructify. In this backdrop, guar started to become more and more popular in the whole region and NCDEX contracts gave it a global platform in terms of a meeting point for buyers and sellers. “Even an illiterate farmer knows that he will get the same price as is ticking on the dabba, a popular name for

NCDEX terminals in the region. That has made all the difference”, says Bansal, whose village Lalgah Jatan is some 18 kilometers away from the city center.

Such a transparent price discovery has changed the face of Sri Ganganagar and all those who have some or the other kind of stake in the guar product chain have been immensely benefitted from the revolution. This has set the stage for an all-round development in the town. “Real estate prices have increased by 4-5 times in last 5 years. Obviously this is due to the increase in purchase power of all the classes of the society. And what is special here in Sri Ganganagar is that the increase is only due to locals. No one from outside has come here for investment. It’s all because of locals putting more and more money in real estate as there is no other avenue for investment here”, says Mr. Satish Aggarwal, Director, S K Aggarwal Commercial (P) Ltd. Another director from the same group attributes the real estate boom to guar revolution. “In fact, agri commodity exchange like NCDEX has ensured that there is no panic selling in the produce. Whatever the weather, supply or demand, the exchange is always there as shock absorber. That has created an atmosphere of confidence in farmers and they are inclining towards investment”, says Mr. Sushil Aggarwal. Even banking sector has also seen a major boost in the area in last couple of days. A senior official in PNB, not keen to be identified, tells the writer that at least 10 new banks have rushed into the area in last 5 years, whereas the existing banks have expanded their branches by around 20% in the same period. “Only in two days of time, we have opened 300 branches under Pradhan Mantri Jan

Dhan Yojna”, tells the beaming officer with a wide smile. “Almost every bank has doubled its agriculture loan limit in last 5 years. The business for every bank has almost doubled too. The main reason for such a boom could be attributed to one, the 6th pay commission and second, guar”, tells another officer dealing with agri loan department in Sri Ganga Nagar for last 6-7 years with one of the leading private sector bank. All these activities have started a rush for brands of consumer goods into the city. Arrow, Provogue, Levi’s, Blackberrys, Puma, John Players, Adidas, Nike, Wrangler, Woodland, Sony, Titan, Bata, Jockey, Pretty Women, Reliance Footprints, Ginnie & Johny, Van Heusan, John Miller, Reebok... all have their exclusive show rooms here in the town. Even malls of Ganganagar see eye to eye with their counterparts from metros.

Strolling across Sri Ganganagar is like passing through a time machine. You find farms, you find mandis, you find farmers, and you find traders. But then there is a smooth transition where farmers are no longer a pathetic lot in constant search for some relief from the government. Mandis are equipped with electronic trading platform flashing ticks of each changing price nugget that is being discovered continuously and transparently and traders and businessmen become a fair part of a negotiating value product chain. Then you find all emblems of neo economic development also in this corner town. And all that has taken to transform ‘that’ Sri Ganganagar to ‘this’ Sri Ganganagar is just “to provide a market place” to the most coveted produce of the land. Can it be replicated in other parts of the rural India, too is a question to ponder over. ■