



Government Policies on Agriculture in India

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ABSTRACT

Ever since invention, agriculture has been the mainstay of human civilization. Domestication of wild plants after onset of agriculture, led to surplus production of food grains which in turn supported more number of people in society. Innovation of new ways for food production in agriculture was revolutionary, as it allowed less number of people to be engaged for food production. In this way, society could deploy more persons to other activities which led to progress in the field of art, craft, science etc. Therefore, it has always been an endeavor of every society of world to devise better varieties, process and ways to improve production, productivity and quality of agricultural produce so that pace of growth in agriculture may be kept ahead of population growth. Our country is bestowed with diverse Agro-climatic resources which have massive potential for rich harvest of agricultural produce. However, at the time of independence, we were facing acute shortage of cereals and other agricultural products due to legacy of bad agricultural policies of British Government. In the backdrop of the food crisis that gripped India in the 1960s, the Government of India initiated the 'Green Revolution' program. This was an attempt to become self-sufficient in production of food grains. Traditional farming methods gave way to farming with high-yield seeds, fertilizers, and pesticides. The Green Revolution nearly quadrupled the production of rice and wheat, transforming India's fertile areas into 'granaries'. India has achieved a remarkable growth in agriculture, increasing food grain production from 83mt in 1960-61 to about 252.7 mt (fourth estimate) in 2014-15. Now, our country is not only self-sufficient in production of food grain to meet food requirement of the country but agriculture is also contributing towards foreign earning.

Keywords: *Agriculture backbone as of economy, Government policies, funds allotted.*

I.OBJECTIVES

- To understand government policies regarding agriculture.
- To understand financial support by government.

II.METHODOLOGY

Data was collected through secondary sources. In the secondary sources, data has been collected through books, magazines, newspaper records, reports. It is an analytical study. Descriptive and analytical methods have been adopted to conduct the study.

III.GROWTH STRATEGIES IMPLEMENTED BY THE GOVERNMENT



In order to maintain the momentum of the agriculture development the Indian Government has laid out new plans. The plans are set to meet the target of 4% growth that has been declared in the 12th Five Year Plan. All the policies have been designed to achieve this objective. To increase farmer's welfare through improved employment opportunities, better farm practices, improving soil health, increasing investment, creating rural infrastructure, ensuring timely delivery of credit and technology, encouraging market reform and reducing risk through the introduction of a new insurance scheme. The government has formulated different policies and programmes [1]. Several ongoing schemes have been restructured. The popular plans are:-

- Pradhan Mantri Fasal Bima Yojana (PMFBY)
- National Food Security Mission (NFSM)
- Rashtriya Krishi Vikas Yojana (RKVY)
- National Mission for Sustainable Agriculture (NMSA)
- Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)

Important policy measures running in the agricultural sector during the period of 12th Plan are as follows:

Pradhan Mantri Fasal Bima Yojana(PMFBY):

This Yojana was implemented from Kharif season 2016 along with pilot Unified Package Insurance Scheme and Restructured Weather Based Crop Insurance Scheme. Under the PMFBY a uniform maximum premium of only 2 percent will be paid by farmers for all Kharif crop and 1.5 percent for all Rabi crops. The premium rates to be paid by farmers are very low and balanced premium will be paid by the Government, to be shared equally by States and Central Government to provide full insured amount to the farmers against crop loss on account of natural calamities. There is no upper limit on Government subsidy. During first season i.e. Kharif 2016, about 374 lakh farmers for a sum insured of Rs.1,41,487 crore have been covered under PMFBY and WBCIS. PMFBY target coverage of 50 percent of the total cropped area of the country during next two to three years.

Interest Subsidy for Short term Credit to Farmers: Under this scheme the crop loans up to Rs.3 lakh per annum to about 7.5 crore farmers at 7 percent annual interest and at 4 percent on timely repayment of crop loans is given.

Market Intervention Scheme and Price Support Scheme: The objective of this plan is to provide remunerative prices to the farmers in case of glut in production and fall in prices [2].

IV. THE GREEN REVOLUTION

It was a period when agriculture in India increased its yields due to improved agronomic technology. Green Revolution allowed developing countries, like India, to overcome poor agricultural productivity. It started in India in the early 1960s and led to an increase in food grain production, especially in Punjab, Haryana and Uttar Pradesh during the early phase. The main development was higher-yielding varieties of wheat, which were developed by many scientists, including American agronomist Dr. Norman Borlaug, Indian geneticist M. S. Swaminathan, and others. The Indian Council of Agricultural Research also



claims credit for enabling the Green Revolution in part by developing rust resistant strains of wheat. The introduction of high-yielding varieties of seeds and the increased use of chemical fertilizers and irrigation led to the increase in production needed to make the country self-sufficient in food grains, thus improving agriculture in India. The methods adopted included the use of high-yielding varieties (HYVs) of seeds with modern farming methods [3].

Although Green revolution led to greater food security, this largely remained confined to a few states including Punjab, Haryana and Western Uttar Pradesh covered and wheat and paddy. The diversification programme is being implemented in original Green Revolution States as a sub scheme of RKVY since 2013-14 to divert the area of water guzzling paddy to alternate crops like pulses, oilseeds, maize and cotton with the objective of tackling the problem of declining of soil fertility and depleting water table in these states. This crop Diversification Programme has been extended to other states like Andhra Pradesh, Bihar, Gujarat, Karnataka, Maharashtra, Odisha and Tamil Nadu etc. to encourage tobacco growing farmers to shift to alternate crops w.e.f. 2015-16. The Programme is being implemented on 60:40 sharing basis between Government of India and State Governments. During 2015-16, financial allocation of Rs. 150 crore centre share has been allotted. During 2016-17 an amount of 180 crore as centre share have been allotted [4].

V. NATIONAL FOOD SECURITY MISSION

The National Development Council (NDC) in its 53rd meeting held on 29th May, 2007 adopted a resolution to launch a Food Security Mission comprising rice, wheat and pulses to increase the production of rice by 10 million tons, wheat by 8 million tons and pulses by 2 million tons by the end of the Eleventh Plan (2011-12). Accordingly, a Centrally Sponsored Scheme, 'National Food Security Mission' (NFSM), was launched in October 2007. The Mission is being continued during 12th Five Year Plan with new targets of additional production of food grains of 25 million tons of food grains comprising of 10 million tons rice, 8 million tons of wheat, 4 million tons of pulses and 3 million tons of coarse cereals by the end of 12th Five Year Plan.

The National Food Security Mission (NFSM) during the 12th Five Year Plan will have five components (i) NFSM- Rice; (ii) NFSM-Wheat; (iii) NFSM-Pulses, (iv) NFSM-Coarse cereals and (v) NFSM-Commercial Crops [5].

Rashtriya Krishi Vikas Yojana (RKVY)

RKVY launched by Government of India in Eleventh Plan from 2007-08 with aim to achieve 4 percent agricultural growth rate. An outlay of Rs. 1.00 lakh as Central share 100 percent has been provided for the scheme as 100 percent Government of India share for 2008-09 as token outlay. Approved outlay for 2007-08: Rs. 51.51 crore. The approved outlay of the scheme for the Twelfth Plan was Rs. 63,246 crores as against the Rs. 25,000 crores during the Eleventh Plan. Presently, according to the revised norms, the sharing pattern of funds is 60:40 between the states and centre, whereas, it is 90:10 for North Eastern States. A financial outlay of Rs. 4500 crore has been allotted for the scheme in the Union Budget 2017-18 [6].



The National Mission for Sustainable Agriculture

This Mission is being launched during the Twelfth Five Year Plan. National Mission for Sustainable Agriculture (NMSA) seeks to transform Indian agriculture into a climate resilient production system through suitable adaptation and mitigation measures in domains of both crops and animal husbandry. NMSA as a programmatic intervention focuses on promotion of location specific integrated/composite farming systems; resource conservation technologies; comprehensive soil health management; efficient on-farm water management and mainstreaming rain fed technologies.

NMSA identifies 10 key dimensions namely seed & culture water, pest, nutrient, farming practices, credit, insurance, market, information and livelihood diversification for promoting suitable agricultural practices that covers both adaptation and mitigation measures through four functional areas, namely, Research and Development, Technologies, Products and Practices, Infrastructure and Capacity building. During XII Five Year Plan, these dimensions have been embedded and mainstreamed into Missions/Programmes/Schemes of Ministry of Agriculture including NMSA through a process of restructuring of various schemes/missions implemented during XI Five Year Plan and convergence with other related programmes of Central/State Governments. The sum of Rs.923 crore has been allotted for 2017-18 [7].

VI. INSTITUTIONAL CREDIT:

After nationalisation of banks in 1969, nationalised banks have paid increasing attention to the needs of agriculture. Regional Rural Banks were also set up to deal specially with the needs of agricultural credit. A National Bank for Agriculture and Rural Development (NABARD) was also set up. Arrangements are being made to provide farmers even better access to loans from cooperative banks and societies. NABARD created a fund of Rs. 21,000 crore rupees. Government is adding 20,000 crore rupees more of it. The loss that NABARD suffers by giving loans to cooperative banks and societies at low interest rates shall be borne by the Government of India [8]. As a result of the expansion of institutional credit facilities to farmers, the importance of moneylenders has declined steeply and so has the exploitation of farmers at the hands of moneylenders.

Targeted Public Distribution System:

Operations, at present being implemented for modernization of Targeted Public Distribution System (TPDS) through digitization of ration card and other database, supply chain computerization, setting up of transparency portals and grievances redressal mechanism. Provision has also been made for Warehousing Development and Regulatory Authority and for various development schemes of National Sugar Institute, Kanpur. The Central Warehousing Corporation proposes to augment its warehousing capacity by 1,54,000 MTs during the financial year 2015-16 at a total cost of Rs155.28 crore [9]. Under TPDS each poor family is entitled to 10 kg of food grains per month at specially subsidised prices. With effect from April 2002, the BPL allocation of food grains was increased from 20 kg (in April 2000) to 35 kg per family per month. According to Economic Survey 2007-08, 73 percent of the poor and very poor families were benefited from TPDS.



Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)

Government of India is committed to accord high priority to water conservation and its management. To this effect Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) has been formulated with the vision of extending the coverage of irrigation 'Har Khet ko pani' and improving water use efficiency 'More crop per drop' in a focused manner with end to end solution on source creation, distribution, management, field application and extension activities. The Cabinet Committee on Economic Affairs chaired by Hon'ble Prime Minister has accorded approval of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in its meeting held on 1st July, 2015. PMKSY has been formulated amalgamating ongoing schemes viz. Accelerated Irrigation Benefit Programme (AIBP) of the Ministry of Water Resources, River Development and Ganga Rejuvenation, Integrated Watershed Management Programme (IWMP) of Department of Land Resources and the On Farm Water Management (OFWM) of Department of Agriculture and Cooperation (DAC). PMKSY has been approved for implementation across the country with an outlay of Rs. 50,000 crore in five years. For 2015-16, an outlay of Rs. 5300 crore has been made which includes Rs. 1800 crore for DAC; Rs. 1500 crore for DoLR; Rs. 2000 crore for MoWR (Rs. 1000 crore for AIBP; Rs. 1000 crores for PMKSY [10].

During 2016-17, an amount of Rs. 1211.75 crore and Rs. 430.30 crore has been released to states for implementation of Micro-irrigation activities and other intervention activities. Till December 2016, an area of about 3.54 lakh had been covered under Micro Irrigation. The total outlay for 2017-18 is Rs. 3050 crore [11].

VII. CONCLUSION

Indian agriculture needs well-planned reforms, enabling policies, innovation and massive investment to overcome the enormous challenge of feeding 1.3 billion people. Rising income and dietary preferences coupled with increasing population will stress agriculture and the farming community in future. A meaningful collaboration between public and private institutions is required for the betterment of farmers, the farming community and the development of agriculture sector in India. Government should also focus its attention to proactively resolve the problems in rural and remote areas.

Competitive global liberalisation has thrown new and formidable challenge to compete with international technologies. Facing this challenge would require vigorous efforts in domestic research and development (R and D). Some countries have very effectively applied tools of biotechnology to raise yield, reduce cost of production, and improve quality. India needs to learn from the experience of such countries and should encourage new yield enhancing and cost reducing technologies without getting bogged down in the debates on transgenic and genetically modified products.

Government has announced so many policies to help the farmers. To attain all goals in agricultural sector Indian Government announced above said plans. The allocation for the schemes in these categories has been hiked substantially. All this shows that the focus of Budget 2017-18 is also on agriculture, rural development and infrastructure, which reflect the Government's commitment to raise investment in agriculture sector and create employment opportunities.



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