

ISSUES IN INDIAN AGRICULTURAL POLICY AND RURAL DEVELOPMENT

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Introduction:- Indian agriculture had reached the stage of development and maturity much before the now advanced countries of the world embarked on the path of progress. At the time there was a proper balance between agriculture and industry and both flourished hand to hand. This situation continued till middle of the eighteenth century. The interference from the alien British government and its deliberate policy of throttling the village handicraft and cottage industries destroyed the fiber of balance and economy of the country was badly shattered. Britishers pursued atypical colonial police in India and did nothing to develop in agriculture. The cultivators had neither the resources nor the incentive to invest in agriculture. There for Indian agriculture in the pre- independence period can be correctly described as a subsistence occupation. It was only after the advent of planning (green revolution) that some farmers started adopting agriculture on a commercial basis.

At time of Independence, India's agriculture was in a state of backwardness. Productivity per hectare and per worker was extremely low. The techniques employed were age old and traditional. Because of low productivity, 45% of the total consumption of farmers came from own production. However, it is not sufficient to call Indian agriculture backward, traditional, stagnant and leave the discussion on issues, problems and difficulties in production of food crops.

➤ **Objective of the study:-**

The following factors will take in to consideration-

- To the Role of agriculture in Indian Economy
 - To the nature of Indian's agriculture
 - To the investment trends in Agriculture
 - To the overview of agricultural policy as it has evolved during the period of planning.
 - New agriculture policy 2015
 - Impact of agriculture productivity, challenges, issues in the new global scenario.
- **Scope of the study:**-As the present study is empirical in nature the scope of the study is made limited only to understand the agriculture policy in India and impact of agriculture productivity and Issues after post Globalization era due to limitation of time and resources, only secondary data collected from various reference books and website.
- **Methodology of the study:** Data collection for the Research work can be systematically made by adopting Scientific methods. The secondary sources can be utilized for data collection. It must be made to bring more useful approach.
- **Important policy:**-Importance agriculture policies introduced by the government of India and state governments in the rural sector in India during the period of planning as under:-
- **Land reforms:**- land reforms measures to abolish intermediary interest in land i.e. *Zamindars, jagirdars*, etc and transfer of land to actual tiller of the land to be taken up on a priority basis. Under abolition of intermediaries, tenancy reforms, provide security of tenure to tenants and regulate rents paid by tenants to landlords, confer ownership rights on tenants etc.
 - **Technological measures:**- Irrigation facilities were provided to large areas on an increasing basis and area hitherto unfit for cultivation was made fit for cultivation. As result of these measures agricultural production and productivity increased substantially. In 1950-51 food grains production which was 50.8 million tones. In the 2011-12 was to 90.2 million tones.
 - **Joint cultivation:**- after the independence and in the policy period Indian agricultural policy introduced the programme of Co- operative and consolidation of holding. Cooperative movements aim at bringing small and marginal farmers together to reap the benefits of large scale farming. Under joint cultivation farming ,small,

marginal farmers pool their small land and some resources and practice jointly co-operatives agriculture.

- **Loans and credit:-** Another importance measure initiated was the expansion of institutional loans and credit to small and marginal formers. Especially through cooperatives and commercial banks. The national bank for agriculture and rural development (NABARD)was also set up for credit to farmers. As the result of the importance of moneylenders has declined and exploitation of farmers at the hands of moneylenders.
- **Input subsidies to agriculture:-** The Indian government has provided massive subsidies to farmers on agricultural inputs like irrigation, fertilizers and power. Under the government policy, various inputs to the farmers are supplied at price which is below the level of in the open market. In fact the subsidies show a tendency to increase continuously. many economists have argued in recent years that agricultural subsidies in India have reached fiscally unsustainable level.
- **Food security system:-**In a bid to provide food grains and other essential goods to consumers at cheap and subsidized rates. The government of India has built up an elaborate food security system in the form of public distribution system (PDS) during the planning period. The Public Distribution System not only ensures availability of food grains at cheap price to the consumers but also operates as safety net by maintaining large stocks of food grains in order to combat any shortages and shortfalls that might occur in some years and or in certain areas of the country.
- **RashriyagrishiVikasYojana:-** (RKVS):-The *RashriyagrishiVikasYojana* was launched in 2007-08 with as outlayof Rs 25,000 crore in the 11th plan for incentivizing states to enhance public investment to achieve 4% growth rate in the agriculture and allied sectors during the 11 Plan period. The Financial minister while presenting the union budge for 2012-13 claimed that the initiative of Bringing Green Revolution To Eastern India hadresulted in a significant increase in production and productivity of paddy. After that the financial minister increased the allocation for this scheme from Rs 400 crore in 2011-12 to Rs 1000 crore in 2012-13 for the RKVY as a whole the resource allocation had been increased from Rs 7860 crore to 9217 in 2012-13.

- **National Food Security Mission (NFSM);-** The national Food Security mission is a crop development scheme of the government of India that aims at restoring soil health and achieving additional production of 10 Million tonnes of rice, 08 million tonnes of wheat, and 02 million tones of pulses. The mission has focused on the districts with productivity of wheat or rice below the state average. The total area is about 20million heaters of rice and 15 million heaters of wheat the mission is under 480 district of the whole country. The mission has already achieved in the 2012-13.
- **Other measures:-** In addition to above measures another important initiative for building up rural infrastructure was announcement of the *BhartNirmanProgrammein* 2005. The programme covers six components of infrastructure – irrigation, rural roads, housing, water supply electrification and telephony.

➤ **NATIONAL AGRICULTURE POLICY :-**

The main features of the national agriculture policy as under

- The focus of the new policy privatization of agriculture and price protection are on efficient use of resource and technology, adequate availability of credit to farmers and protecting them from seasonal and price fluctuations.
- The use of new and renewable sources of energy for irrigation and other agricultural purpose would be encouraged.
- Progressive institutionalization of rural and farm credit would be continued for providing timely and adequate credit to farmers.
- Private sector participation would be promoted through contractfarmingandland leasingarrangements to allow accelerated technology transfer especially of oilseeds cotton and horticultural crops.
- The restrictions on the movement of agricultural commodities throughout the country would be progressively dismantled. The structure of taxes on food grains and other commercial crops would be reviewed.
- Rural electrification would be given high priority as a prime mover for agricultural development.
- Appropriate measures would be adopted to ensure that agriculturists by and large remained outside the regulatory and tax collection system.

- Plant varieties would be protected through a legislation to encourage research and breeding of new varieties. Development of animal husbandry, poultry, dairy, and aquaculture. Domestic agriculture market would be liberalized.
- Endeavour would be made to provide a package insurance for the farmers, right from sowing of crops to post harvest operations including market fluctuations in the price of agricultural produce.
- Private sector investment in agriculture would be encouraged. That is agriculture research, human resource development, post harvest management and marketing.

As is clear from the above the national agriculture policy lists each and every possible objective.

➤ **Globalization and issues for Indian agriculture:-**

- The principles of level playing field distortion free trade and efficiency required that the high level of subsidy and support in developed countries must be brought down.
- India should press for clubbing of all kinds of support to agriculture in one category and then seek reduction in total support rather than AMS alone to achieve some parity among developed countries.
- A country which globalizes its agriculture sector cannot achieve self sufficiency in production because globalization will require specialization in those agriculture commodities in which it had a comparative advantage.
- Agricultural products market price are liable to more year to year fluctuations than domestic prices therefore dismantling of trade barriers is likely to increase volatility of domestic prices and farm income.
- The benefits of globalization may not be neutral to areas crops and people but also globalization may raise the prices of some of the essential commodities.
- Indian agricultural policy needs to build-up adequate safety nets to protect the interests of crops people and regions which are likely to be adversely affected by globalization.
- Agricultural inputs and green revolution the Indian parliament passed the protection plant varieties and farmers rights legislation on August 2001 to meet the obligations under the TRIPs agreement.

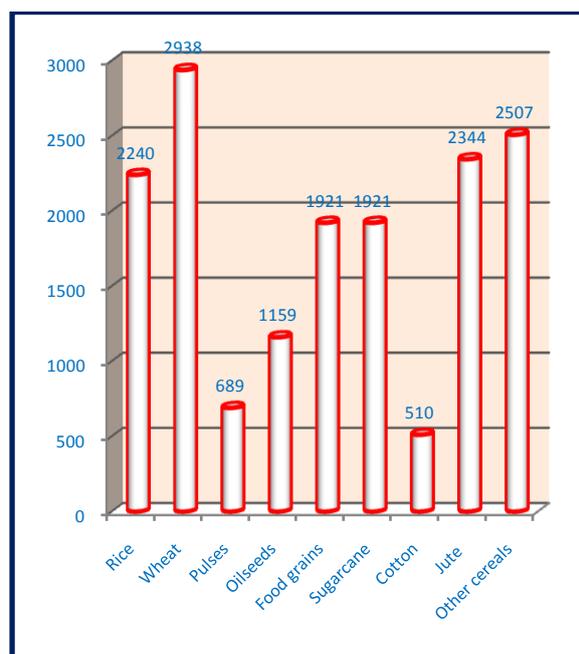
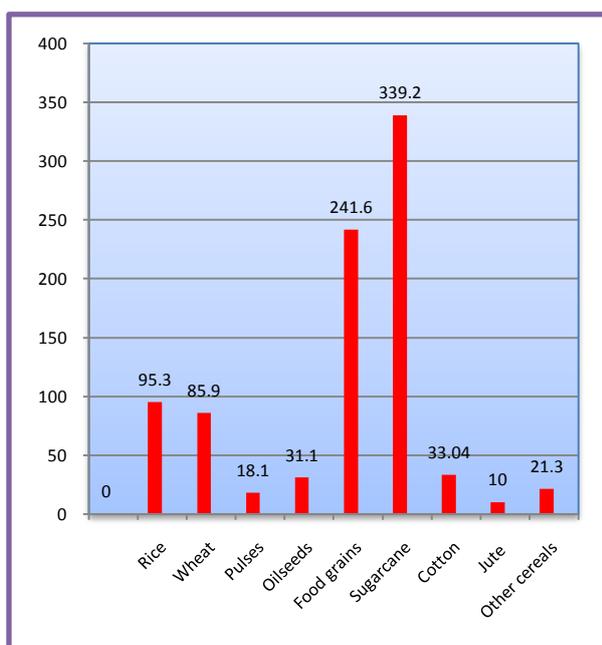
- Public investment in agriculture has been declining for quite some years. In the context of international trade there is an added urgency to reverse this trend and increase investment in research, integrated market development storage and warehousing facilities road development etc.

➤ **Summary of Agriculture Information And Data**

- Total investment in agriculture Rs. 1,33,377 crore in India
- Share of public sector investment in agriculture 17.7% of total investment.
- Investment in agriculture as per cent of total investment 7.7%
- Agricultural credit target in 2010-11 is Rs 3, 75,000 to achievement Rs. 4,46,779 crore.
- Subsidy on agricultural inputs Rs. 1, 60,917 crore.
- Agricultural production and productivity as under:-**

Sr. no	Items	Production (Million tonnes)	Productivity (Kgs. Per Hectare)
1	Rice	95.3	2240
2	Wheat	85.9	2938
3	Pulses	18.1	689
4	Oil seeds	31.1	1159
5	Food grains	241.6	1921
6	Sugarcane	339.2	1921
7	Cotton	33.04	510
8	Jute	10.00	2344
9	Other cereals	21.3	2507
	Average	98.27	1803.22

PRODUCTION PRODUCTIVITY



The above the table show that yield per hectare of all food grains has increased. Due to the adoption of hybrid varieties and BT cotton in recent years. India happens to be one of the largest growers and producers of most of the agricultural crops but ranks very low in terms of yield in the world. However as noted by *Economic survey 2011-12* without incremental productivity gains and technology diffusion across regions achieving this higher growth may not be feasible and has implications for the macroeconomic stability given the rising demand of the 1.2 billion people of food. Achieving minimum agricultural growth is a pre requisite for inclusive growth, reduction of poverty levels development of the rural economy and enhancing of farm incomes.

Reference :-

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Government of India eleven five year plan 2007-2015 New Delhi 2008

R Radhakrishna Indian development report 2008

V.S Vyas Indian agriculture structure economy policies and sustainable development New Delhi 2003

Various web sites for agricultural production and issues.

Misra Puri -Indian Economy 2012-13