



Mains Practice Question

Q. What are the main challenges facing India's agricultural sector, and what policies are being implemented to address these challenges?

22 Mar, 2023 GS Paper 3 Economy

Approach

- Start your answer by briefly introducing the status of agricultural sector in India.
- Discuss challenges and various policies to tackle these challenges.
- Conclude accordingly.

Introduction

- India is an agricultural-based country, where **more than half of the population is engaged in farming activities, contributing to the country's GDP**. However, India's agricultural sector faces several challenges that have impeded its growth and development.
 - The sector is plagued by issues such as low productivity, declining soil fertility, water scarcity, climate change, fragmented landholdings, and lack of access to technology and markets.
 - These challenges have resulted in low yields, low profitability, and inadequate income for farmers, leading to farmer distress and migration from rural areas to urban areas.

Body

- **Challenges faced by India's agricultural sector:**
 - **Declining Soil Fertility:** India's agriculture is **heavily dependent on soil health**, and declining soil fertility is a major challenge faced by the sector.
 - The **excessive use of chemical fertilizers, pesticides, and herbicides has degraded the soil quality**, reducing its fertility and productivity.
 - This has resulted in **low crop yields and poor soil health, posing a significant challenge for sustainable agricultural development**.
 - **Water Scarcity:** India is a water-stressed country, with **only 4% of the world's freshwater resources and 16% of the world's population**.
 - The agriculture sector is the largest consumer of water, accounting for around 80% of the total water consumption.
 - However, the availability of water has been declining due to **overexploitation, poor management, and climate change, leading to water scarcity** and droughts in several regions.
 - **Fragmented Landholdings:** The majority of farmers in India are small and marginal, with fragmented landholdings. Fragmentation **leads to inefficiencies in farming operations, reduces access to credit, and limits economies of scale**.
 - Moreover, it limits the adoption of modern technology and irrigation systems, leading to low productivity and low yields.
 - **Low Productivity:** India's agricultural sector is plagued by low productivity, with yields significantly lower than the global average.
 - This is primarily due to **poor farm practices, inadequate access to technology**

and information, and lack of infrastructure.

- The low productivity levels lead to low profitability, inadequate income for farmers, and limited investment in the sector.
- **Lack of Access to Technology and Markets:** Access to technology and markets is critical for the growth and development of the agricultural sector.
 - However, Indian farmers have limited access to modern technology and markets, which restricts their ability to improve productivity, reduce costs, and increase profitability.
 - Moreover, the **lack of market linkages and infrastructure results in low prices for farmers**, limiting their ability to earn a decent income.
- **Climate change:** Climate change poses a significant challenge to India's agriculture sector, with changing weather patterns affecting crop yields and productivity.
 - Extreme weather events, such as droughts, floods, and cyclones, have become more frequent, posing a threat to food security and agricultural sustainability.
- **Policies Implemented to Address These Challenges:**
 - **Increasing Investment in Irrigation:** The government has initiated several programs to increase investment in irrigation and improve water management.
 - The **Pradhan Mantri Krishi Sinchai Yojana (PMKSY)** aims to provide access to irrigation to all farmers in the country.
 - Additionally, the government has launched the **Atal Bhujal Yojana**, which aims to improve groundwater management in priority areas.
 - These initiatives aim to increase the availability of water for agriculture, improve water-use efficiency, and reduce water scarcity.
 - **Promoting Crop Diversification:** The government has been promoting crop diversification to reduce the pressure on water resources and soil fertility.
 - The **Pradhan Mantri Fasal Bima Yojana (PMFBY)** aims to provide insurance coverage and financial support to farmers who grow non-traditional crops.
 - Similarly, the **Rashtriya Krishi Vikas Yojana (RKVY)** provides **support for promoting crop diversification and sustainable agriculture practices.**
 - **Improving Infrastructure:** The government has been investing in improving rural infrastructure, including roads, storage facilities, and market linkages.
 - The **Pradhan Mantri Gram Sadak Yojana (PMGSY)** aims to **improve rural connectivity** and increase access to markets.
 - Similarly, the **National Agriculture Market (e-NAM)** aims to create a **national market for agricultural commodities**, enabling farmers to sell their produce at better prices.
 - **Providing Subsidies:** The government provides subsidies for inputs such as seeds, fertilizers, and irrigation equipment, aimed at reducing the cost of cultivation for farmers.
 - Similarly, the government provides subsidies for crop insurance, which provides financial support to farmers in case of crop loss.
 - **Introducing Technology-Based Solutions:** The government has launched several initiatives aimed at providing farmers with access to modern technology, information, and advisory services.
 - The **Pradhan Mantri Kisan Samman Nidhi Yojana (PM-KISAN)** provides financial support to small and marginal farmers, enabling them to invest in modern technology and improve productivity.
 - Similarly, the **Kisan Credit Card (KCC) scheme** aims to provide farmers with access to credit for investing in technology and inputs.

Conclusion

- India's agricultural sector is facing several challenges, which are limiting its growth and development. However, the government has implemented several policies aimed at addressing these challenges.
 - While these policies have the potential to improve the agriculture sector's performance, several implementation challenges and gaps need to be addressed to ensure their success. A collaborative effort between the government, private sector, and farmers is essential for the sustainable development of India's agriculture sector.

PDF Refernece URL: <https://www.drishtias.com/mains-practice-question/question-1626/pnt>