



## Mains Practice Question

**Q.** Agriculture is a vital sector for India's economy but faces several challenges. Discuss these challenges and propose measures to address them. **(250 words)**

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### Approach

- Briefly introduce the significance of Indian agriculture for the Economy.
- Discuss the challenges Indian agriculture is facing and suggest measures to address them.
- Conclude suitably.

### Introduction

Agriculture is the backbone of India's economy, contributing about **17-18%** of India's GDP and sustains **over 60%** of the rural population. However, despite its importance, the sector faces **several structural and operational challenges** that hinder its growth and sustainability.

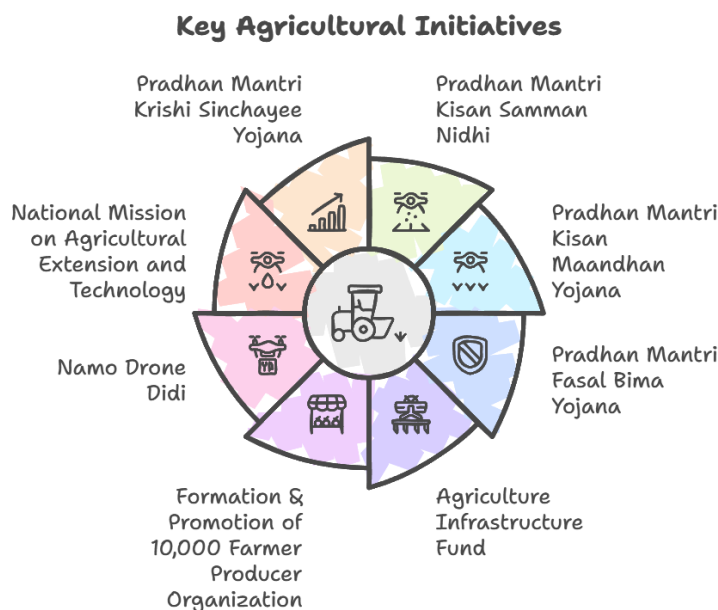
### Body

#### Challenges Facing Indian Agriculture

- **Productivity and Fragmentation of Land:** Agricultural productivity in India is hindered by outdated farming practices and limited mechanization.
  - **Land fragmentation, driven by inheritance laws**, (average size of landholdings has reduced from 2.28 hectares in 1970-71 to 1.15 hectares in 2015-16), making it difficult for farmers to achieve economies of **scale** or access modern technologies.
- **Inadequate Access to Credit:** Farmers, especially small and marginal ones, often face **limited access to formal credit** due to stringent collateral requirements and lack of financial literacy.
  - **Crop insurance schemes** like the Pradhan Mantri Fasal Bima Yojana (PMFBY) have been underutilized due to **lack of awareness, delayed claims, and low coverage**.
- **Dependence on Monsoon:** Indian agriculture is highly dependent on the monsoon **rains**, which are erratic and unevenly distributed. A delay or failure of monsoon causes **crop failures, water scarcity, and a rise in agricultural distress**.
- **Price Fluctuations: Market access** remains a significant challenge, particularly for small farmers who are often subject to **middlemen exploitation** in mandis or face **high transportation costs**.
  - **Price volatility** due to poor storage and market linkages leaves farmers vulnerable to low prices during harvest and high prices in off-season.
- **Lack of Infrastructure: Inadequate rural infrastructure** such as storage facilities, and cold chains affects the **supply chain** and prevents timely delivery of produce to markets. **Post-harvest losses** are high due to lack of modern storage and processing facilities.

#### Measures to Address Challenges in Indian Agriculture

- **Diversification and Crop Insurance:** Promote **crop diversification** to reduce the dependency on a single crop and mitigate risks associated with weather and price fluctuations.
  - Strengthen and expand **crop insurance schemes** like **PMFBY**, increase the coverage of **weather-indexed insurance** schemes.
  - Simplify the **Kisan Credit Card (KCC)** scheme and promote awareness about **easy loan facilities**.
- **Promoting Farm Mechanization:** Introduce **mechanization** (e.g., tractors, harvesters, drones for precision farming) to increase productivity and reduce labor costs.
  - Provide **training** to farmers through **Dedicated Agriculture Engineering** on the use of modern agricultural practices and technology.
- **Land Reforms and Consolidation:** Encourage the use of **contract farming** models and **Farmer Producer Organizations (FPOs)**, which can help small farmers pool their resources, and negotiate better prices.
- **Strengthening Agricultural Markets:** Establish more **Farmer Producer Markets (FPMs)** and **direct-to-consumer models** and policies that encourage **value-added products** (organic food) to reduce the dependence on intermediaries and ensure better prices for farmers.
  - Strengthen the **Minimum Support Price (MSP)** system to ensure **fair prices** for essential crops, thus reducing farmers' dependence on market fluctuations.
- **Sustainable Agriculture:** Encourage rainwater harvesting, efficient irrigation technologies (e.g., **drip irrigation, sprinkler systems**) to reduce dependency on rainfall.
  - Shift towards **organic farming** and the use of **bio-fertilizers** to ensure long-term soil health and reduce the negative environmental impact.



## Conclusion

By improving access to finance, modernizing farming techniques, and strengthening market linkages, we can ensure that **agriculture** becomes more resilient, productive, and profitable for farmers. The government's role in creating **an enabling environment** for farmers through policies, infrastructure development, and financial support will be crucial to achieving agricultural transformation.