

Indian Agriculture: Issues and Challenges

Badar Alam Iqbal*

School of Economics and Finance, Faculty of Economics and Finance, Monarch University, Zug, Switzerland

*Corresponding author: Badar Alam Iqbal, Adjunct Professor, School of Economics and Finance, Faculty of Economics and Finance, Monarch University, Zug, Switzerland, E-mail: dr.iqbal@monarch-university.ch

Received date: February 07, 2018; Accepted date: February 07, 2018; Published date: February 15, 2018

Citation: Iqbal B (2018) Indian Agriculture: Issues and Challenges. J Food Sci Toxicol. Vol.2 No.1.4

Introduction

Despite recording high growth rate by the country's economy, Indian agriculture has not been in good shape. There are many issues of concerns for those who are directly or indirectly related to the growth and development of Indian agriculture.

Since independence of India, agriculture continued to be the backbone of country's economy. Still majority of the population is depending upon agriculture for their livelihood. Similarly, majority of the people are living in the villages and therefore, the people at large still believe that "rural India is the real India."

The most significant trend emerged out is that horticulture output has outclassed food grains production. Since the year 2012-13, the horticulture production is much higher than the food grains output (Table 1).

Table 1 Trends in the production of horticulture and food grains during 2012-2013 and 2016-2017 (Source: Ministry of agriculture; Government of India; New Delhi).

Crop Year	Horticulture	Food Grains
2012-13	268.85	257.13
2013-14	277.35	265.04
2014-15	280.99	252.02
2015-16	286.18	251.57
2016-17	300.6	275.68

Since the year 2012-2013 and till the end of the year 2016-2017, the total output of horticulture has registered an increase of 11.8 percent. On the other side of it, during the same period under reference, the total production of food grains recorded a rise of 7.2 percent. This means the growth of horticulture output is much higher than the growth of food grains production. This is a healthy sign for Indian agriculture. The projected production of horticulture for the year 2017-2018 stood at 305.4 million tons and the rise is 1.6 percent over the production of horticulture witnessed during the year 2016-2017 [1].

Reason for Increase

The increase in the total output in horticulture is being attributed to the rise in the yield per hectare of horticulture

items despite the fact the increase in acreage is marginally increased during the period under review. According to the available data, the total cultivated area of horticulture items has gone up from 24.50 million hectares in 2015-2016 to 24.85 million hectares in the year 2016-2017, i.e., a rise of 1.4 percent. On the other hand, the productivity has witnessed an increase of 3.5 percent during the same period [2].

Components of Horticulture Output

The main segments of horticulture production are vegetables; fruits, onion, etc. The total output of vegetables registered an increase of 5 percent over the figure of 2015-2016. Similarly, the production of fruits witnessed a rise of 3 percent during the same period. But the output of onion has registered a decline of 4.5 percent during the same period. This decline is being compensated through regulating export by means of minimum export price [3].

The most disappointed thing is that Indian farmers have failed in transforming the increased output of horticulture items into increasing their respective income. Instead increasing their income Indian farmers had faced the problem of plenty due to non-availability of cold storage and processing facilities which are the *sin-quo-non* for these items. Accordingly, Indian farmers sold out their crops less than the cost production across the country and faced distress. The situation was grim in the states of Madhya Pradesh; Uttar Pradesh; Karnataka and Haryana.

Small Land Holdings

In Indian agriculture, the bigger chunk is of small holdings of land and as a result of this, both output and earnings/incomes are having bearing affect/impact. This means lesser is the land holding lesser is income of the farmers. India has 141 million hectares of net arable land. In the year 1951 there were 6.99 crore land holdings and in the year 1996 the number went up to 11.55 crore. In during the year 2011 this figure was stood at 11.88 crore. In the year 1996 the average size of land holding was 1.41 hectare. But in the year 2011 this average figure went down to 1.15 hectare. Small and marginal farmers accounted for 86 percent of the total land holdings.

If we go further to micro level, there are 9.02 crore farm households in the country. Out of this figure there 6.26 farm households having land size of less than 1 hectare of land. According to available data, average monthly income of a farm

household in the year 2012-2013 was Rs. 6,426. Segment wise of land size and the income thereon are given in **Table 2**.

Table 2 Emerging trends in size of land holding and monthly income of a farm land (Source: Ministry of agriculture; Government of India; New Delhi).

Size of Land Holding (in Hectares)	Monthly Income of farm Household in Rs.
2-Jan	7,348
4-Feb	10,730
10-Apr	19,637
10	41,388

Keeping in mind, how small size land holdings having bearing effect on the production and income of the households, Indian Government have taken an initiative by constituting a committee. The committee has strongly advocated the enactment of a law for pooling land and come together and should become a bigger entity to bargain better price for their output which is the biggest challenge for Indian agriculture in general and small and marginal farmers in particular. It is rightly observed that “the viability of farming and the income that a farmer earns thereof are posing challenges”. Accordingly, for the betterment of the existing land holdings scenario, there is a need of the hour that land is linked to law of inheritance, fragmentation is associated with practice of dividing and sharing every piece of land among inheritors. This may go a long way in bringing desire improvement in the farm landing holdings.

Challenge of Productivity

Because of the larger number of small and marginal farmers, i.e., 86 percent there has been the persisting problem of low productivity. One hectare of land in India produces less than 40 percent when compared with US farm and only 50 per cent of farm earns in China (**Table 3**).

Table 3 Trends in cereal productivity per hectare in selected countries in 2014 (Source: UNFO, World Bank).

Country	Productivity per Hectare in KG
USA	7,638
China	5,886
Brazil	4,640
India	2,984
Russia	2,444

USA	7,638
China	5,886
Brazil	4,640
India	2,984
Russia	2,444

It is important to point out here that increase in Minimum Support Price (MSP) is not a viable solution to the problem. It is just like spoon feeding and how long it would carry out. In order to sustain farmers' income on regular basis and bringing economic prosperity to the farmers' community, the only viable and available solution is “enhance the productivity” of farm house holdings.

The above mentioned are the biggest issues and challenges for Indian agriculture. If these issues and challenges are not met in their true perspective, Indian economy in general and rural economy in particular cannot sustain and farm prosperity remains a “distant dream” and the country cannot transform its economy into a modern economy or developed economy which is the need of the hour.

References

1. The Times of India (2018) Horticulture output at new high, New Delhi. Accessed on: 03 January 2018.
2. The Times of India (2018) Panel on farm income, New Delhi. Accessed on: 21 January 2018.
3. The Times of India (2018) Impact on health and agriculture, New Delhi. Accessed on: 02 February 2018.