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# *Agricultural Production and* **Market Outlook**

The Rising Agriculture....

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## **Budget: Agriculture**

Union Minister of Agriculture & Farmers Welfare, Shri Radha Mohan Singh said that agriculture growth rate has increased from 2% to 4.1% and it shows that the government is working seriously for the betterment of the farmers and farming. The commitment of the Government to double the income of the farmer in 5 years has been under scored in this budget. Ambitious schemes have been chalked out to promote the agriculture sector in this budget. For instance, a sum of Rs. 9000 crores have been provided for 'Pradhan Mantri Fasal Bima Yojana' resulting in the enhancement of crop security coverage to the farmers.

Minister said that this budget has provided security coverage to agriculture sector as well as to farmers. The government has made up its mind to dig one million ponds. This is a praise worthy step. By providing irrigation and fisheries facilities through these ponds, the farmers will be helped to double their incomes. In the previous year, 5 lakh ponds have been built. Besides, this budget aims to provide 100 employment days to the farmers through MNREGA which is also a praise worthy step. To promote "per drop more crop", those areas will also be provided water for irrigation which were earlier deprived of this facility through long term irrigation fund. The budgetary provision of Rs. 45,250 crore for the year 2016-17 was made for this Ministry which has now been increased by 15.31% to Rs. 51,026 crore for the year 2017-18. The Minister highlighted the following provisions of the Budget:



- While accelerating the implementation of Pradhan Mantri Fasal Bima Yojana, 40% agricultural area will be brought under the scheme this year. It was 30% in the previous year. Similarly, it will be increased to 50% for the year 2018-19. During the previous year, there was a budget provision of Rs. 5.5 thousand crores which will be increased to Rs. 9000 crore during this year. Simultaneously, an additional sum of Rs. 7.7 thousand crores has also been provided during this year for the dues of previous year.

S.No.	Season	Crops	Maximum Insurance charges payable by farmer (% of sum Insured)
1	Kharif	Food & Oilseeds crops (all cereals, millets & Oilseeds, Pulses)	2.0 % of SI or Actuarial rate, Whichever is less
2	Rabi	Food & Oilseeds crops (all cereals, millets & Oilseeds, Pulses)	1.5 % of SI or Actuarial rate, Whichever is less
3	Kharif & Rabi	Annual Commercial/ Annual Horticultural Crops	5 % of SI or Actuarial rate, Whichever is less

- Soil Health Card – for all 648 KVKs, a provision has been made to establish mini soil testing labs. 1000 labs will be activated through local entrepreneurs. Loan related subsidy will be provided for this purpose by the government.



- e-NAM – at present, 250 mandis are linked with e-NAM platform which will be increased to 585 mandis. For this purpose, each mandi will be provided assistance upto Rs. 75 lakhs for their basic infrastructures (sanity grading and packaging). In addition to this, it has also been suggested to denotify from APMC Act (Mandi Act) those commodities which are quickly perishable.



- Dairy is a prominent part of agriculture economy. During year 2016-17, there was a budgetary provision of Rs. 1136 crore for White Revolution which has been increased by 43.8% in the form of Rs. 1634 crore for year 2017-18. Along with this, dairy processing and infrastructural fund will be set up with a sum of Rs. 8000 cr for the modernization of old milk processing units under 'Operation Flood'. This will be completed within a period of 3 years. Initially, it will be started with a sum of Rs. 2000 crores.



- 'Blue Revolution' is one of the priorities of the government. Keeping this in view, the budget provision of Rs. 247 crore for year 2016-17 has been increased by 62.35% amounting to Rs. 401 crore. The MNREGA was given an assurance to make 5 lakh ponds during last year to cope with the problem of drought prevailing in rural areas. During present year, 5 lakh new ponds will also be built up.



- A sum of Rs. 5189 crore for 'Pradhan Mantri Krishi Sinchai Yojna' has been increased to Rs.7377 crore. Besides a long term irrigation fund has been set up with a sum of Rs. 20,000 crore for irrigation scheme in previous financial year concerned with NABARD. During this year, it will be doubled in the form of Rs. 40,000 crore.

- A dedicated micro Irrigation fund with a sum of Rs. 5000 crores will be set up for the achievement of the goal of "per drop – more crop".

- Other features in the Budget : The total loan amount of Rs. 9 lakh crore for previous year has been enhanced as Rs. 10 lakh crore this year. In this respect, dedicated efforts will be made for low irrigated areas, eastern states and Jammu & Kashmir. In addition to this, as per the announcement made earlier by the Hon'ble





## Facilities to Farmers

This Ministry is implementing various crop development schemes for increasing production and productivity of the crops in the country viz. National Food Security Mission (NFSM) on rice, wheat, pulses, coarse cereals and Commercial Crops (cotton, jute & sugarcane); Bringing Green Revolution to Eastern India (BGREI) and Crop Diversification Programme (CDP). Under these schemes, scientific crop production technologies are being promoted at the farmers' field through organization of cluster demonstrations and training of farmers with latest crop production technologies such as timely sowing, seed rate, recommended package of practices etc. for reduction in the cost of cultivation. At least 30% of the cluster demonstrations under NFSM and BGREI are being conducted by adopting cropping system approach to utilize the rice fallow area for pulses cultivation. Assistance is given to farmers on distribution of improved seeds/hybrids, farm implements/machines, irrigation devices, plant protection chemicals, bio-pesticides for promoting Integrated Pest Management and soil ameliorants etc. through State Government. New initiatives like distribution of seed minikits of newer varieties of pulses free of cost, production of quality seed (breeder, foundation and certified seed), creation of seed hubs at SAU and KVKs, strengthening of bio-fertilizers and bio agent labs at SAUs/ICAR Institute, technological demonstration by KVKs and enhancing up breeder seed production have been included under NFSM during 2016-17 for enhancing pulses production and productivity. The Commercial Crops (cotton/jute/sugarcane) primarily focus on cropping system approach for transfer of technology in the approved States. Besides, Crops Diversification Programme is being implemented in original green

Prime Minister, the waiver will also be provided on loan interest for 60 days.

- Efforts will be taken to computerize 63,000 PACS being operated by NABARD in the area of cooperatives. This work will be completed within 3 years with an assistance of Rs. 1900 crores.
- Model law will be formulated to make improvements in the policies relates to agriculture.

revolution states viz. Punjab, Haryana and in Western UP to diversify paddy area towards less water requiring crops like oilseeds, pulses, coarse cereal, agro-forestry and shifting of tobacco farmers to alternative crops/cropping system in tobacco growing States viz. Andhra Pradesh, Bihar, Gujarat, Karnataka, Maharashtra, Odisha, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal.

Under NFSM and BGREI there is provision of 'Cropping system based Training' of farmers which includes four sessions i.e. one before kharif and rabi season, one each during kharif and rabi season. Under this programme, training of trainers/farmers is imparted by Crop/Subject matter specialist of ICAR Institute/SAUs /KVKs and involves various crop management practices (agronomic and plant protection practices) including primary processing of produce, storage etc. and also to create awareness about the new high yielding varieties/hybrids and new practices. A group of 30 participants/farmers in each session and participants in all four sessions remain same. Central assistant of Rs. 14000/-per training (Rs. 3500/-per session) is made available.

ii) The Per Drop More Crop component of PMKSY is implemented with the objective of enhancing Water Use Efficiency. The scheme is farmer centric and assistance is provided to the farmers for adopting precision irrigation technologies and On farm water management practices. The scheme has been approved with an outlay of Rs. 50,000 Crore for a period of 5 years (2015-16 to 2019-20). During 2015-16, Rs. 7298.7 Crore were released under the above components of NMSA through all concerned implementing Ministries/ Departments.

iii) The Government is implementing "Strengthening and Modernization of Pest Management Approach in India"



through 35 Central Integrated Pest Management Centres (CIPMCs) of directorate of Plant Protection Quarantine and Storage established across the country with an aim to promote Integrated Pest Management (IPM) approach. CIPMCs inter alia, produce biological agents for release in the fields, conserve natural bio-control agents, promote bio-pesticides as an alternative to chemical pesticides and advocate judicious and safe use of chemical pesticides as a last resort. These activities are implemented through Farmers Field Schools (FFSs), 2 days and 5 days training programmes and season long training program for State Agriculture Extension officers.

iv) National Mission on Oilseeds and Oil Palm (NMOOP) programme is under implementation since 2014-15. The various interventions of this Mission are implemented through the State Government. Under this programme the Transfer of Technology (TOT) component, the assistance is provided to states for conducting Farmers Training and Trainers Training programme, in which training is provided to the farmers and extension workers educating the farmers to avail the benefits of the NMOOP programme. An assistance of Rs. 24,000/- per training of 3 days for farmers and Rs. 36,000/- per training of 2 days for extension workers are available under NMOOP.

v) The Mission for Integrated Development of Horticulture (MIDH), envisages production and productivity improvement of horticulture crops like fruits (including Apple) and vegetables through various interventions. Activities such as production of planting material, vegetable seed production, coverage of area with improved cultivars, rejuvenation of senile orchards, protected cultivation, creation of water resources, adoption of Integrated Pest Management (IPM), Integrated Nutrient Management (INM), organic farming, including insitu generation of organic inputs are taken up

for development of fruits and vegetables. Capacity buildings of farmers and technicians are also provided for adopting improved technologies. Scheme also envisages creation of infrastructure for post harvest management (PHM) and marketing for better price realization of produce.

- Under NHM/HMNEH of MIDH, subsidy is provided to the farm size limited to 4 ha in majority of the intervention. Also small and marginal farmers are mobilized to form FPO/FIG for aggregation and economies of scale. FPOs are eligible for financial assistance under MIDH.

Under MIDH, in certain components like cultivation of flowers in open field and horticulture mechanization there is a provision to provide higher rate of assistance for small and marginal farmers for upliftment of small and marginal farmers.

vi) The Government has taken several steps to improve marketing facilities for farmers, which includes development of alternative marketing channels with private sector partnership through advocacy of reforms. Further, to enhance transparency in the transactions, price discovery and farmers' reach to large number of markets and buyers, the Government has launched a scheme called National Agriculture Market (e-NAM) on 14.04.2016. The scheme aims to create a unified agri-marketing portal for online trading of agri-produce. With online bidding, transparency and competition in APMC transactions is bound to increase. This scheme is farmer focussed and would help fetch better prices to the farmers for their produce. Capacity building and awareness campaigning for all stakeholders is done regularly. So far, 250 markets from 10 States have been integrated with e-NAM.

Book Post

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