



Doubling Farmers' Income – Information Gaps

**B V S PRASAD, GENERAL MANAGER,
DEAR, NABARD HO, MUMBAI.**

India Agriculture

- Faster Agricultural Growth a must for higher economic growth of the nation and reduction in poverty
- About 50% population depend on livelihood
- Contributes about 17% to GVA
- Sector contribution – remarkable in making country a food surplus from food deficit
- Made nation one of the top producer in many commodities

India Agriculture - concerns

- Becoming non viable – rising costs and uneconomical holdings
- Suicides of farmers being reported from different parts of the country
- Continuous droughts have shaken the farmers
- There is a need to increase the incomes of the farmers
- GoI announced doubling of farmers' income by 2022.

India Agriculture - concerns



- There was lot of debate on policy, strategy for achieving the same
- The present growth rate below the targeted growth rate of 4% p.a.
- Enabling environment is to be created for achieving the goal of doubling their incomes
- Considering the time frame, these efforts could be short to medium term and focus on

Doubling Farm Income - Focus



- Production and post production aspects
- Steps for cost reduction and income enhancement
- Strategies agro-climatic zone wise
- Inter-sectoral complementarities and convergence opportunities
- Blending modern technology with traditional knowledge

Enabling environment



Salient Features of Enabling Environment



Agents of Growth



Natural Resource Management

Infrastructure support

Credit environment

R & D and Extension services

Risk Management

Marketing strategies

Scaling up and Aggregation

Off Farm/Non-Farm/Wage income



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Broad
Issues

- Land Lease Market – Model law
- Digitalisation of Land records
- Soil Health Cards
- Thrust on micro nutrients, bio fertiliser organic manures

Natural Resource Management - Water



- Water conservation – traditional, low cost methods
- Improving water efficiency – drip, sprinkler, pipeline etc.
- Increasing cropping intensity
- PM Sichai Yojna, LT Irrigation Fund
- Watershed Development

Infrastructure Support

- Irrigation Infrastructure
- Connectivity & Transportation
- Storage and Marketing facilities
- IT infrastructure in rural area –digital India
- Veterinary and allied activities (FDI, Private participation)
- Farm Power custom hiring centres(FM),etc.

Credit Environment

- Regulations / Stipulations (PSL agri., SF/MF)
- Access to credit –Technology driven
- Prioritizing Investment credit
- Thrust to Central, Eastern and NE Regions
- Coverage SF/MF , Tenant Farmers (LEC to Tenants)
- Regulation of informal money lenders
- Mainstreaming micro finance, MFIs, NBFCs

Research and Development



- R & D to reduce yield gaps
- Precision Farming
- Cultivation under controlled atmosphere
- Drought resistant /water saving agri.
- Quality standards - seed, fertiliser, pesticides
- Extension – Participatory, visual media, Mobiles

Risk Management

- Integrated approach farm, allied, non/off farm activities, Farm forestry, tree crops(boundary)
- Allied activities - Fodder, Cattle feed incentives, ensuring availability
- Universalisation of Crop insurance – diversified approaches for disadvantaged regions (PMFBY)
- Insurance cover—AH, Poultry, SGP, Fisheries
- Health, Life insurance and other social security measures

Marketing

- National Common Market
- e NAM Online marketing – quality parameters to be set
- Direct marketing – Farmers Markets
- Marketing channel for Organic produces
- Supply chain approach & Contract farming
- Commodity futures
- Stable agri. trade policy

Strengthening Aggregation

- Promotion of Farmer Producers Organisations
 - To overcome high transaction costs, security stipulations, gaining access to markets, public services, better price via collective action
- Strengthening cooperative as multi activity agents
 - Input supplier, market agent, aggregator, conduit to storage facility
- Joint liability group
 - Institutional credit to landless farmers, tenant farmers, sharecroppers and oral lessees.

Off Farm / Non Farm / Wage income

- Skilling for diversification of activities
- Integrated homesteads models
- Activity Based Groups/Joint Liability Groups
- MGNREGA to compliment agriculture
- Marketing support to NFS, SHG products

Widening Partnership



- Involvement of corporates -
 - Technology, R&D, seed industry, fertilisers, pesticides, extension, implements, irrigation, marketing, risk coverage, etc.
- Collaborative approach
 - Consortium (of development agencies including academic institutions), Convergence (of development schemes), Capacity Building and Collective action (like *Bhoochetana* scheme in Karnataka)
- Cooperatives – social participation
- NGOs / NBFCs / MFIs/Vos, etc.

Thrust Areas

1. Enhancing Investment

Irrigation, Connectivity, Marketing

2. Creating Institutions

Marketing, land markets, aggregation

3. Technology

Proactive -yield enhancing and cost saving

Concluding Remarks

**“Wherein the ‘ease’ of doing
agriculture is enhanced,
cost of doing agriculture is
minimised,
returns are maximised”**



Thanks