

## Measures to make Agriculture Profitable

<b>Feature</b>
<b>Agriculture</b>

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The Various measures taken for quality improvement and availability of essential factors like fertilizers, seeds, electricity and irrigation facilities for agriculture in order to make it a profitable business include the following:

The Government is implementing various Missions, Schemes and Projects which facilitate production, availability & distribution of quality seeds and fertilizers to farmers. The Government of India has launched a new schemes viz. Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) which aims to provide reliable and adequate power supply to farmers by separation of agriculture and non-agriculture feeders and strengthening of sub-transmission and distribution infrastructure in rural areas, among others. Rajiv Gandhi Grameen Vidyutikaran Yojana for rural electrification will get subsumed in DDUGJY.

Water is a State subject; water resources/ irrigation projects are planned, executed and maintained by State Governments from their own resources and as per their own priorities. Government of India provides financial and technical assistance to the States under Accelerated Irrigation Benefits Programme, Repair, Renovation and Restoration of Water Bodies Scheme and CADWM Programme, to enhance the irrigation potential of the country as well as to ensure its effective utilization. Financial assistance is also being provided to farmers for micro irrigation and protected cultivation under various schemes viz., Mission for Integrated Development of Horticulture (MIDH), On-Farm Water Management (OFWM) under National Mission for Sustainable Agriculture (NMSA) and Rashtriya Krishi Vikas Yojana (RKVY). Assistance for micro irrigation is being provided under OFWM @ 35% for small & marginal farmers and 25% for other farmers for an area upto 5 ha per farmer. This assistance is 50% & 35% respectively in the areas covered under Drought Prone Areas Programme, Desert Development Programme and North Eastern & Himalayan regions.

For protected cultivation, assistance is being provided under MIDH @ 50 % for setting up green houses, etc. for an area upto 4000 square meters per farmer. State Governments are also promoting these technologies under RKVY.

The Government is implementing many Missions/ Schemes such as Rashtriya Krishi Vikas Yojana (RKVY), National Food Security Mission (NFSM), Mission for Integrated Development of Horticulture (MIDH), National Mission on Oilseeds and Oil Palm (NMOOP) and Grameen Bhandaran Yojana etc. for raising investments in agriculture. In addition, Government has issued a framework for Public Private Partnership for Integrated Agriculture Development (PPPIAD)

for using RKVY allocation for bringing greater association of private sector in agricultural development projects in the States.

Agriculture sector has been identified by Government as priority lending sector, which constitutes at last 18% of the total loan portfolio of the banks. Crop loans are provided to farmers at a concessional rate of 7% per annum with 3% interest subvention for timely repayment. Post harvest loan is also available to farmers on the basis of negotiable warehouse receipts for a period of six months on the same terms so as to prevent distress sales. Thus, crop loans are available to farmers at more favourable terms than loans available to industries sector. However, loans for post harvest management activities including marketing, processing etc. are available on rates decided by the banks concerned.

Government has also taken several fiscal incentive measures such as tax deduction, waiver/reduction of Excise Duty, reduction of Custom Duty on specific food items etc. with a view to encouraging the growth of food processing industries. Agricultural & Processed Food Products Exports Development Authority (APEDA) is also implementing various schemes for promotion of export of agricultural and processed food products.

**To provide high quality seeds and fertilizers to farmers, details of various Missions, Schemes and Projects is as follows:**

- a. Mission for Integrated Development of Horticulture (MIDH)** envisages to promote seed production for vegetables and spices. Assistance is provided @ 100% of total cost to public sector. In case of Private Sector, assistance is 50% of the cost as credit linked back ended subsidy for a maximum area of 5 ha. per beneficiary.
- b. Under the Sub-mission on Seeds and Planting Material (SMSP) under National Mission on Agricultural Extension and Technology (NMAET)**, number of programmes and activities are organized to develop/strengthen seed sector and to enhance production and multiplication of high yielding certified/ quality seeds of all agricultural crops and making it available to the farmers at affordable prices and also place an effective system for protection of plant varieties, rights of farmers and plant breeders to encourage development of new varieties of plants. Financial assistance/grants-in-aid is also provided to private/ public entities under the component 'Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds'.
- c. The Krishi Vigyan Kendras (KVKs)** also organise quality seed production and distribution to farmers . During the last one year 1.57 lakh quintal seeds of improved varieties and hybrids of cereals, Oilseeds, pulses, commercial crops, vegetables, flowers, fruits, spices, fodder, forest species, medicinal plants and fibre crops were produced and provided to 2.61 lakh farmers by KVKs.
- d. Under the National Mission on Oilseeds and Oil Palm (NMOOP)** support is provided for purchase of breeder seeds, production/ distribution of certified seeds, distribution of seek Minikits (Varietal Diversification) for demonstration of new technologies, seed infrastructure

Development, Variety Specific Targeted Seed Production (VSTSP), planting material for oil palm and Tree Borne Oilseeds (TBOs), establishment of seed gardens of oil palm, maintenance cost for oil palm and TBOs. NMOOP also provides support for production of bio-fertilizers/ bio-agents, gypsum/pyrite/ liming /dolomite and construction of vermi-compost.

- e. **Under the National Food Security Mission (NFSM)** certified seeds of high yielding varieties/hybrids which have been released during last 10 years are distributed on subsidy to the farmers under NFSM. Micronutrients, soil ameliorants are provided to the farmers on subsidy under NFSM on rice, wheat, pulses, coarse cereals. Bio-fertilizer (Rhyzobium/PSB culture) is given to the farmers under NFSM-pulses on subsidy.
- f. **Fertilizer (Control) Order, 1985** has been promulgated for regulation of quality of fertilisers. No person shall manufacture/import for sale, sell, offer for sale, stock or exhibit for sale or distribute any fertiliser which is not notified in the said Order or not of standard prescribed in the said Order. Samples of fertilizers are drawn periodically by notified fertiliser inspectors of State Governments to check their quality whereas in case of imported fertilisers, the fertiliser inspectors of the Central Government draw samples from ships/containers for checking their quality.
- g. The Department of Fertilizers under Ministry of Chemicals and Fertilizers provides Quality Urea and 22 grades of Phosphatic and Potassic fertilizers to the farmers on subsidized rates strictly as per the stipulation under the Fertilizer (Control) Order (FCO), 1985.

(PIB Features)