



## INDIA'S AGRICULTURAL SECTOR: CONSTRAINTS AND MEASURES



**Prof. (Dr.) Adinath J. More**  
Head, Dept. of Economics ,  
Arts, Commerce and Science College, Lasalgaon ,  
Tal- Niphad, Dist- Nashik,

### ABSTRACT

The fact is that the economic prosperity of our country mostly depends on prosperity of agriculture. The agricultural sector provides work to more than half of the population. Today we observe the decline of agricultural sector create new socio economic problem like suicide of the farmer. Recently the NITI Aayog recommended various policy initiatives for the development of agricultural sector. In this research secondary data's are employed in view of constraint in the development of agricultural sector.

**KEYWORDS :** GDP, ICRISAT, FAO, NITI.

### INTRODUCTION

Even at present agriculture is the largest sector for livelihood of the masses. It is the fact that near about 59% population is engaged in agriculture and allied activities like forestry, fisheries and animal husbandry. Agriculture contributes in economic development in many ways such as share in employment, share in the gross national product, share in export, providing raw material to the industries, through buying industrial goods, food for people, and supply of fodder to animals, etc.

But in the planning period the share of agricultural sector in GDP (Gross Domestic Product) is declined year by year due to more focus of planners on industrial and service sector. In 1950-51 agricultural sector contribute 55.01% in the GDP, it was declined to 13.09% in 2011-12. (Datt & Sundharam, 2012) However agriculture still plays a significant role in the socio-economic development

of our country. Thus the agricultural sector provides work to more than half of the country's population contributing less than 1/5th to its GDP indicates a clear imbalance.

Agriculture is the only source of food and fodder. We have achieved self sufficiency in food production from last several years. During the planning period the production of food grain rose from 52 million tones in 1951-52 to 244.78 million tones in 2010-11 and 259.32 million tones in 2011-12. Thus, the economic prosperity of our country mostly depends on prosperity of agriculture.

But after initiation of liberalization, privatization and globalization in the country the share agriculture in the total export declined year by year. In 1990-91 the share of agricultural export in the total export was 18.5%, it was declined by 10.59% in 2009-10. (Datt & Sundharam, 2012)

Eventually the performance of the economy as a whole depends upon the performance of agricultural sector. In the Ninth and Tenth five year plans growth rate of agriculture sector was about 2.44 % and 2.30 % respectively as compared to 4.28 % in eighth five year plan. During the 11th five year plan agricultural growth rate is estimated at 3.28 % against target of the 4%. In the 12th five year plan it was targeted to 4 % to 4.2 %. Even as India grew by over 7 percent in the last year, agriculture remained more or less stagnant.

Once upon a time our expriminister Mr. Lal Bahudur Shastri declared his vision of nation's development through his well-known slogan Jai Jawan, Jai Kisan. It indicates that the main focus of the Indian planning in earlier period was on agriculture but later the planning period agricultural sector lost its importance in the policy making process. Today we observe the decline of agricultural sector create new socio economic problem like suicide of the farmer.

## **2. OBJECTIVE:**

- i) Study the constraints in sustainable development of agricultural sector.
- ii) To suggest the measures to make rejuvenation of agricultural sector.

## **3. METHOD:**

For evaluating selected objectives of the study, Secondary data were used collected from different sources.

## **4. DISCUSSION AND FINDINGS:**

There are many constraints in the development of Agriculture sector i.e. lack of irrigation facilities, lack of public and private investment, inadequate research facility, lack of infrastructural facilities in rural area, use of traditional production method by farmers, low productivity, small size land holding, disguised unemployment etc. After the initiation of economic reforms in 1991 the changes in the agricultural policy, increased cost of production and the negative impact of Economic Reforms on agriculture are some of the factors responsible to increasing numbers suicide of farmers in the country. However the following can be specified as the major constraints in present circumstances.

### **IRRIGATION FACILITY:**

Due to uncertain and unequal rainfall in different parts of the countries and lack of insufficient irrigation facility agriculture sector has still continued to be a gamble of the monsoons causes low productivity of agriculture as compared to developed countries.

### **PRODUCTION TECHNIQUE:**

High yielding seeds, fertilizer, appropriate use of water and use of modern equipment and production technique in the farm are known as new technology for agriculture. New technology succeeded only for some crops yet it is not being popular among all farmers due to lack of capital, lack of information and uncertainty in water and power supply.

#### **USE OF FERTILIZER:**

Despite being the fourth largest producer of fertilizers in the world, after the US, Japan and China, the usage of fertilizer in India is actually very low, in fact, i.e. just 0.58 kg per hectare against 4.5 kg per hectare in the US and 10.8 kg per hectare in Japan. The world's average consumption is 3 kg per hectare. (Rajesh Aggarwal)

#### **INVESTMENT:**

The government cannot fulfill the requirement of investment in rural infrastructure such as electricity, transport, finance and communication etc. Private investors are not interested to invest their capital in to agricultural sector due to small size of land holding, price variation and lower capital-output ratio in the agricultural sector.

#### **FINANCE:**

Borrowing to the farmers is availed from institutional and non-institutional sources. But creditability of farmers in the market is very less due to indebtedness. Out of 17.64 Lakh farmers only (25.3%) farmers could avail institutional finance in 2005-06. Private money lenders charge high interest rates between 48-60% p.a., Higher rate of interest in the cooperative credit system e.g. up to 12.5% to 14% till last year, cooperative sector brought down their interest rates to 7%, even then the farmers are taking loans from the money lenders due to various reasons.

#### **FAILURE OF LAND REFORMS:**

Some northeast states of India have success in land reforms, but in other states of India land reforms have not succeed, so that the productivity of Indian agriculture remains low.

#### **DEFECTIVE MARKETING:**

There are various marketing practices through out the country. The share of intermediaries in consumer's rupee is in between 40% to 50% in the agricultural marketing due their long chain. Malpractices in buying and selling, lack of grading and standardization, storage facilities and market information, variety of incidental charges, inadequate credit and transport facilities etc. are some reasons for losses of farmers.

#### **INFRASTRUCTURAL FACILITIES:**

Rural sector of the country has facing various problems in respect of infrastructural facilities such as Roads, means of transports, communication and poor power supply etc. Disturbance in the power supply is the major hurdle in farm productivity.

#### **5. SUGGESTIONS:**

The inclusion of agricultural sector for comprehensive development is the need of 21st century. The main view point of 12th five year plan is sustainable development of the economy.

Weaknesses in agriculture sector are the important hurdle in the process of development. Therefore some important measures are needed to make rejuvenation of agricultural.

#### **IMPROVEMENT IN FERTILE POWER OF SOIL:**

Agricultural Universities, Krishi Vigyan Kendras, Fertilizers companies, research institutions, states department of agriculture and farmers associations should take the efforts for increasing the quality of the soil. Government takes initiative to promote cultivation in wide spread drought prone areas through ICRISAT (International Crop Research Institute for Semi Arian Tropic), otherwise increasing productivity per hectare is the only alternative to meet the demand of food and feed an ever growing population.

#### **WATER MANAGEMENT:**

All existing water sources should be renovated. Seawater farming should be encouraged in coastal areas. Develop the proper method of water distribution in the command areas of canal. Repair and maintain the traditional system of water harvesting and recharge of surface water. Priority should be given to management of water supply and demand through improved irrigation practices, including micro irrigation and metering of water.

#### **CREDIT AND INSURANCE:**

Discrepancy in the rate of interest for deposit and lending should be reduced by international standards interest rate. Farmers become defaulters due to droughts; floods and the high interest on crop loans; as a consequence they pushes out network of institutional credit system. Therefore governments should make permanent policy to provide relief from natural calamities.

#### **TECHNOLOGY AND NEW VARIETIES:**

Acceptance new farming technique, new variety of seeds and new marketing technique is near to the ground in the agricultural sector. Therefore the agriculture research institute, scientists and government should take the effort to propagate the importance of new varieties and technique in terms of net income per hectare.

#### **MARKET REFORMS:**

If the market reforms begin with district/region wise planning of cropping pattern by government official, so the established link between cultivators-middlemen and consumers receives adequate and timely attention. It can be helpful to price stability which is mutually benefited to producers and consumers.

#### **The use of bio-fertilizers:**

According to FAO, the productivity of Indian agriculture is less than the global average due to less use of bio-fertilizers. Agriculture sector have need to increase use of bio-fertilizers for improving productivity and to attain sustainable agricultural development. Therefore government should make the appropriate supply and price policy to promote the use of bio-fertilizers.

#### **ALTERNATE EMPLOYMENT OPPORTUNITY:**

Government should create alternate employment opportunity begin with vocational training and skill development programs including development of the retail sector, improve education, increase rural entrepreneurship, develop tourism, cottage and handicraft industries, horticulture, fisheries which can be helpful to divert the excess population towards non-farm activities in rural area.

## **6.CONCLUSIONS:**

Government has taken many efforts to strengthen agricultural sector since last sixty years of planning. Recently the NITI Aayog (National Institute of Transforming India) also recommended various policy initiatives to the government i.e. roadmap for revitalization of agriculture, Model land leasing law, roadmap for Pradhan Mantri's irrigation scheme, national energy policy, roadmap on poverty Elimination, development strategies for Hilly areas, digital payments, national nutrition strategy etc.

It is therefore necessary to government to takes serious initiative and systematic efforts for the implementation of above mention suggestion in long run for the healthy growth of agricultural sector of India

## **BIBLIOGRAPHY:**

- 1.Datt & Sundharam (2012): Indian Economy, 65th Edition, S. Chand, New Delhi.
- 2.Anupam Agrawal (2012): Indian Economy, Pratiyogita Darpan. New Delhi.
- 3.Gangadhar kaynde patil (2004): Agricultural Economics, Chaitanya Publication, Nashik.
- 4.Yojana, (June 2012, October 2011)
- 5.Kurukshetra, (November 2011)
- 6.Rajesh Aggarwal (MD, Insecticides India Ltd)  
<http://www.business-standard.com/content/b2b-chemicals/future-of-agriculture-in-india-is-the-nation-ready-1160530>
- 7.<http://theresearcherjournal.org/pdfs/01010620162.pdf> The Researcher- International Journal of Management Humanities and Social Sciences Jan-June 2016, 1(1)