



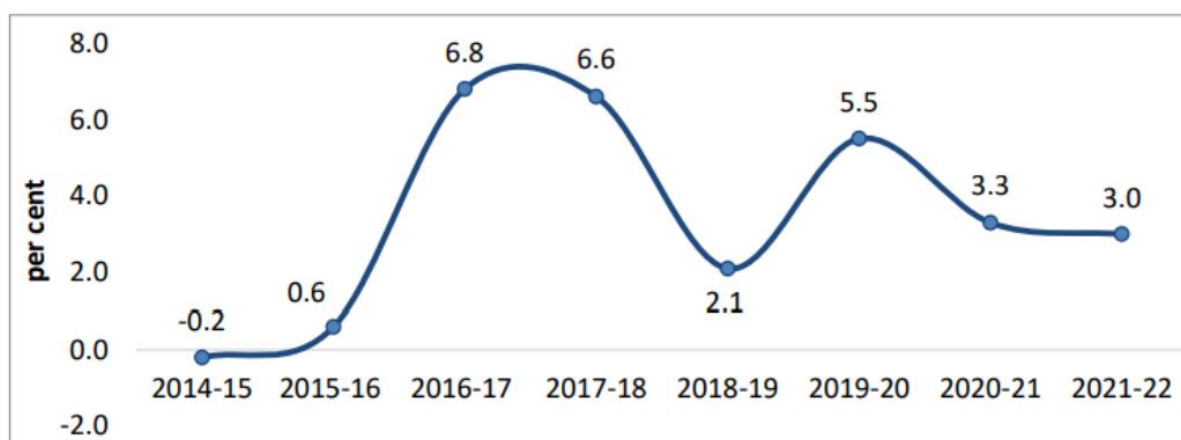
Economic Viability of Agriculture

Why in news?

Policymakers have been striving hard to make Indian agriculture economically viable as majority of the farmers want to quit agriculture.

What is the status of agriculture sector in India?

- **Contribution to India's GVA** -18.3% (2022-23)
- **Population involved** - 54.6% of the total workforce (Census 2011)
- **Growth** - 3% in 2021-22 compared to 3.3% in 2020-21
- In recent years, India has also rapidly emerged as the net exporter of agricultural products.
- During 2021-22, agricultural exports reached an all-time high of US\$ 50.2 billion.



Growth of Indian Agriculture

What are the major issues faced by the farmers?

- Lack of infrastructure
- Lack of access to credit
- Lack of insurance
- Uncertain water rights and supply
- Lack of remunerative income
- Poor price discovery
- Land fragmentation
- Erratic monsoon
- Uncertain nature

- [Issues with farm mechanization](#)

What can be done to make agriculture an economically viable one?

- **Digitalization of agriculture** - Agri start-ups have been helping in putting the 'farmer first' in supplying inputs directly through apps/call centres/channel partners.
- Farmers with smart phone can access digitalized agri-services for agri-inputs, farm advisory, and marketing of agri-produce.
- **Integrated farming** - Integrated farming system (IFS) is a sustainable agricultural system that integrates different components such as crop production, livestock, fish, poultry, tree, etc. that benefit each other.
- It is based on the concept that 'there is no waste' and 'waste'.
- *Family labour* is the most important component of IFS, which makes it commercially viable and environmentally sustainable.
- **Climate smart agriculture** - Soil position in Punjab is unhealthy as 246 kg of fertilisers are used per hectare compared to the national average of 135 kg.
- It is imperative to shift to eco-friendly agri-inputs such as [Nano Urea](#) which is cost-effective, ease in logistics and enhances crop yields substantially.
- **Adopting best farm practices** - Though Israel does not have conducive climate for agriculture, water resources and land area, it is a major exporter of farm-produce and a global leader in agricultural technologies.
- *Co-operative principles* based on social equality, co-operation and mutual aid in generating agricultural output can be adopted from Israel.
- **Discouraging informal credit** - Besides easing access to formal credit, farmers need to be counselled on financial prudence to prevent borrowing from informal sources such as money lenders, traders and landlords.
- **Leveraging Collectives** - Convergence of SHGs, [Farmers Producer Organisations \(FPOs\)](#) and Co-operatives will lead to better bargaining power of farmers.
- **Development of agri-value chains** - Development of agri-export clusters may be encouraged besides managing the risks of monsoon and market.

References

1. [The Hindu Business Line | Measures For Sustainable Agriculture](#)



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