Issues in India Horticulture

Why in news?

Market inefficiencies and faulty policies are the present situation of Horticulture in India.

At a time when there is considerable farm unrest in the country, there is a paradigm shift happening in Indian agriculture in the shape of a horticulture revolution.

What is the background of the issue?

Latest data from the ministry reveals that the production of horticultural crops in 2016-17 outstripped food grain output for the fifth year in a row.

The fact that the record horticultural harvest of 295 million tonnes has been gathered from just one-fifth of the area under food grain is a significant aspect.

It is also noteworthy that this surge has come about without the kind of government support and funding that triggered the cereals-based green revolution in the 1960s and 1970s.

Horticulture has received merely 3.9 to 4.6 per cent of the broad agriculture sector’s annual plan outlay since the Ninth Five-Year Plan.

However, if the prices of horticultural produce are allowed to slide unabated, the way they have done this year, the uptrend in output may be difficult to sustain.

What is the situation of the Horticulture in India?
It is well known that the growers of several fruits and vegetables, especially onions, potatoes and tomatoes, have failed to recover even their production costs.

Frustrated, some of them even resorted to dumping their produce on the roadside instead of selling it at ridiculously low prices.

The most likely fallout will be a dip in production in the next cycle.

The blame lies as much with market inefficiencies as with ill-advised government policies.

An enduring horticultural revolution is, indeed, vital for several reasons.

For one, horticulture now accounts for more than one-third of the agriculture sector’s gross domestic output (GDP).

Besides, it holds the key to the much-needed diversification in agriculture.

Moreover, horticulture is more suited to millions of India’s small and marginal farmers as fast-growing crops, such as vegetables, ensure a quicker cash flow to the producer.

Lastly, horticulture has tended to expand in the areas which had been slow to adopt green revolution technologies.

The top 10 vegetable growing states now include Bihar, West Bengal, Odisha, Madhya Pradesh and Karnataka.

But exempting vegetables and fruits from the purview of the agricultural produce marketing committee (APMC) laws, as some states have done, too, has not resulted in either better market access or higher prices.

What is the way forward?

In this regard, vegetable and fruit producers’ cooperatives, formed on the lines of the milk cooperatives, or private enterprises can be incentivised to
bridge the gap between producers and consumers.

- The indigenously developed milk marketing model may suit these crops because, much like milk, horticultural crops, too, are produced in small quantities by tiny landholders and have to be disposed of without much delay.

- Simultaneously, post-harvest processing and value-addition, which is rather low at present, needs to be stepped up substantially to prolong the shelf life of such products and ensure their year-round availability.

- Also needed is an extensive network of refrigerated warehouses to store horticultural products and minimise wastage.

- The government needs to put in place a stable policy regime, particularly with respect to the domestic and external trade of vegetables and fruits, to prevent violent price fluctuations that hurt the interests of both producers and consumers.

- In the absence of timely reforms, the horticultural revolution might fizzle out.

Source: Business Standard