



Proposals for Enhancing Farmers Income

Why in news?

\n\n

Union budget has announced new proposals for enhancing the farmers' income.

\n\n

What are the practical problems faced by the farmers?

\n\n

\n

- Over 70 per cent of the farmers in India seldom receive the MSPs for want of official market intervention.

\n

- These prices are effective only for wheat and rice and, occasionally, for a couple of other crops in a handful of states, elsewhere, the procurement infrastructure does not exist.

\n

- Recently announced MSP formula does not address the demands by the farmers as MSPs for many crops are already higher than 1.5 times the paid-out costs and the estimated value of family labour.

\n

- Small and marginal farmers are unable to transact at the markets run by the agricultural produce marketing committees (APMCs).

\n

\n\n

What are the announcement in the budget for farmers?

\n\n

\n

- Union budget has announced MSPs at 50 per cent above the production cost. Click [here](#) to know more about MSP formula

\n

- The National Institution for Transforming India (NITI) Aayog will figure out the status about reach of MSP to the farmers.
\n
- The budget proposes to launch “Operation Greens”, on the pattern of the milk sector’s “Operation Flood”.
\n
- This operations will be used for the marketing of highly perishable commodities, such as tomato, onions, potato and others, which witness vicious price fluctuations.
\n
- Budget proposes to create parallel marketing infrastructure by upgrading the existing 22,000 rural haats into gramian agricultural markets.
\n
- These mandis will be exempted from the APMC regulations to facilitate direct sale to consumers and bulk purchasers.
\n
- It also encourage farmer producer companies and cooperatives by fully exempting their profits from income tax.
\n
- Budget seeks to promote agriculture’s allied activities like animal husbandry and fisheries, which are more lucrative than crop farming.
\n
- Budget has also proposes to provide a Kisan Credit Card-like facility to those engaged in these ventures.
\n

\n\n

\n\n

Source: Business Standard

\n



IAS PARLIAMENT
Information is Empowering
A Shankar IAS Academy Initiative