

GOVERNMENT OF INDIA  
MINISTRY OF PLANNING

**LOK SABHA**  
**UNSTARRED QUESTION NO.949**  
TO BE ANSWERED ON 26.07.2023

**SUSTAINABLE INCOME GROWTH OF FARMERS**

949. SHRI SUSHIL KUMAR SINGH:  
SHRI P.C. MOHAN:

Will the Minister of PLANNING be pleased to state:

- (a) whether the NITI Aayog has suggested a shift in agricultural approach for sustainable income growth of farmers and if so, the details thereof along with the strategies from Ramesh Chand's and Jaspal Singh's working paper, such as technology advancement, private sector involvement, and efficiency promotion;
- (b) whether the paper highlighted a need for a regulatory environment and investments for knowledge intensive practices, new institutions and innovative producer end user links and if so, the details thereof along with the paper's suggestions on enhancing agricultural sector efficiency through cost-effective growth;
- (c) whether a State competition system to ease farming and farm business was proposed in the paper and if so, the details thereof along with the envisaged role of agriculture in achieving the goals of Viksit Bharat, Amrit Kaal and the UN's Sustainable Development Agenda 2030; and
- (d) whether the paper offered guidelines on Minimum Support Price (MSP) advocating procurement and price deficiency payment and linking public procurement to necessary quantity, price stability, and strategic stocks and if so, the details thereof?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS  
AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT  
CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE  
MINISTRY OF CORPORATE AFFAIRS

**(RAO INDERJIT SINGH)**

- (a): NITI Aayog has suggested shift in agricultural approach to achieve sustainable growth in farmers income and in its documents like: Strategy for India@75; Three Years Action Agenda and NITI Policy Paper on Doubling Farmers Income.

In the Working Paper titled “From Green Revolution to Amrit Kaal: Lessons and Way Forward for Indian Agriculture” by Ramesh Chand and Jaspal Singh, a strategy for agriculture for next 25 years i.e. Amrit Kaal has been suggested and it has been said that the future strategy should be based on the following factors:

- i. Future demand for agri-food.
- ii. Lessons from past experience, especially relating to drivers of growth.
- iii. Challenges facing the sector and those arising from the sector.
- iv. Emerging opportunities and changes in the operating environment of agriculture.
- v. Needs and goals set for the society and the nation.

The authors are of the view that agriculture has to play a key role in achieving the goal of Viksit Bharat, inclusive development, green growth and gainful employment during Amrit Kaal. Accordingly, a roadmap to achieve these goals has been suggested including matter related to technology and R&D, investments, role of private sector, deployment of digital technology, regulatory environment, instruments for public intervention in factor and product market, tenancy, and sustainable agriculture methods. The paper concludes that the future progress of agriculture requires action on several fronts involving Union and State Governments and a well-coordinated action and strategy between the two levels of government is needed to ensure that agriculture marches to the next stage of development, along with other sectors.

- (b): The paper maintains that the shift towards modernisation of agriculture will involve the introduction and promotion of knowledge and skill intensive practices within agriculture, private and corporate sector investments in the agriculture value chain, new institutions of producers, integrated food system-based mechanisms, and new types of linkages between producers and end users. These changes, in turn, require liberalisation of the agriculture sector in the form of providing a facilitating regulatory environment and responsible public and private investments in and for agriculture.

The authors conclude that India has done well in achieving growth targets but needs to do more when it comes to efficiency gains. The emphasis should shift from growth to efficient growth. This requires deployment of state-of-the-art technology in agriculture, smart farming and maximising the value of main and by-products.

- (c): The paper does not cover the matter related to State competition system to ease farming and farm business. However, on the role of agriculture in achieving the goal of Amritkaal, the paper asserts that while the non-farming sector can give higher growth than agriculture, the latter is important for inclusive growth, employment generation, renewable energy resource and sustainability which are an integral part of the goal to become Viksit Bharat. Further, on the United Nations’ Sustainable Development Agenda 2030, it has been said that it cannot be achieved without paying attention to agriculture, as 11 out of the 17 Sustainable Development Goals (SDGs) are directly linked to agriculture. It is stated that the two biggest challenges

facing the planet are climate change and over exploitation and degradation of natural resources. The type and methods of farming have a significant bearing on these.

- (d): On the issue of Minimum Support Price (MSP), the paper states that the system of MSP for farm produce is essential to guard against poor competitiveness and malpractices in agri markets. MSP also becomes important during periods of glut, even if markets are competitive. However, the system of MSP should not cause too much distortions in market signals and incentives. The paper suggests that India should use a combination of two instruments, namely procurement and price deficiency payment, to pay MSP to farmers. Public procurement should be linked to the quantity needed for the public distribution system, price stability and strategic stocks. It suggests that MSP in mandated crops should be implemented.

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