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**FM: Key challenges faced by the Indian agriculture include the need to increase productivity by leveraging technology-especially for high yielding and resistant variety seeds, efficient utilization of water, adaption of latest IT to increase resilience to nature and to increase the price benefits to the farmer by providing timely market information.**

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The Union Finance Minister Shri Arun Jaitley said that the key challenges faced by the Indian agriculture are the need to increase productivity by leveraging technology-especially for high yielding and resistant variety seeds and efficient utilization of water, adapt latest IT to increase resilience to nature by phasing sowing, watering and harvesting and to increase the price benefits to the farmer by providing timely market information. The Finance Minister Shri Jaitley said that these challenges can be addressed by revisiting the incentive structure of farming, use latest technology to raise productivity, reduce wastages and enhance earnings as well as to improve marketing of farm produce. He said there is a need for more investment in agriculture sector. The Finance Minister Shri Jaitley was speaking during his first Pre -Budget Consultative Meeting with the representatives of Agriculture Groups here today.

The Finance Minister Shri Jaitley further said that the performance of Agriculture Sector during three out of the last four years (2015-16, 2014-15, 2012-13) has not been good mainly due to inadequate monsoons. As per the estimates of GDP for the second quarter (July-September) of 2015-16, the Minister said that agriculture, forestry and fishing sector grew by 2.2 percent as compared to growth of 2.1 percent in the corresponding period of 2014-15.

Along with the Finance Minister Shri Jaitley, the Pre Budget Consultative Meeting with the representatives of Agriculture Groups was also attended among others by Shri Jayant Sinha, Minister of State for Finance, Shri R.N. Watal, Finance Secretary, Shri Shaktikanta Das, Secretary, DEA, Dr. Hasmukh Adhia, Revenue Secretary, Shri Avinash Kumar Srivastava, Spl. Secretary, Agriculture, Dr. Arvind Subramanian, Chief Economic Adviser (CEA), and Shri Ramesh Chand, NITI Ayog. The representatives of the different Agriculture Groups present during the meeting included Venkatrao Nadagouda, Federation of Oilseeds Cooperative Growers of India, Shri Vijayan Rajes, President, United Planters Association of South India, Dr. Baldev Singh Dhillon, Vice Chancellor, PAU, Shri Siraj Chaudhary, Chairman & MD, Cargill India Pvt. Ltd., Shri Keshab Das, GIDR, Dr. Suresh Pal, Member (Official), CACP, Shri Bojja Dashratha Rami Reddy, Secretary General, Consortium of Indian Farmers Association, Dr. K.V. Prabhu, Joint Director (Research), IARI, Shri Devesh Roy, IFPRI, Shri Ajay Vir Jakhar, Chairman, Bharat Krishak Samaj, Shri Harish Damodaran, Indian Express, Shri UK Awasthi, Chairman, IFFCO, Dr. Y. Sivaji, Chairman, Kisan Foundation, Dr. Dinesh, Chief Executive, National Cooperative Union of India, Shri Gulshan John, Chairperson, All India Spices Exporter Forum, Shri Satish Chander, DG, Fertilizer Association of India, among others.

Many suggestions were received from the representatives of different Agriculture Groups. Major suggestions include Micro Irrigation System be given infrastructure lending

status, food exports may be taxed rather than banned and funds collected there from be spent for improving irrigation system. It was suggested to set-up National Institute for Agriculture Market Intelligence, introduction of agriculture index and satellite survey every month. Data received through survey be shared with farmers so that they can take a decision about sowing of a particular crop as well as its marketing etc.

Other suggestions included maximum retail price (MRP) be fixed for different types of fertilizers, cost of urea be increased while NPK prices be decreased for balanced use of fertilizers, discourage import of urea from China. Other suggestions included direct transfer of fertilizer subsidy to farmers, introduction of Price Deficiency Payment System, 100% funding by Central Government to control food and mouth disease among the livestock, subsidy to farmers through Government agencies for setting-up solar system, subsidy on herbicides, setting-up warehousing facilities in the rural areas so that farmers can store their produce and there by avoid distress sale by them.

Other suggestions included development of village/farm ponds, provision of three phase electricity and drip irrigation system, to create awareness among farmers about crop insurance and timely settlement of their claims, promoting investment for having better quality seeds, higher investment in agriculture research and development, creation of market platform for agro products, expansion of price stabilization fund, cheap credit for livestock, timely release of grants, exemption of oil seeds from GST, rubber to be considered as a agriculture commodity, to create a buffer stock of pulses and edible oils etc as international commodities prices are historically low, reforms in Land Lease Act, setting-up of Special Commission for irrigation to improve dry land farming, Green Revolution to be taken to North East, all those given employment under MGNREGA programme should be registered under Panchayats and made available for agriculture among others.

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