

# 'Farmers should move to high-value agriculture to increase income'

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NEW DELHI

Smallholder farmers cannot increase their income by producing rice, wheat, millets, pulses and oilseeds along—they should move to high-value agriculture like fruit and vegetables, fisheries, poultry and dairy farming, said the Economic Survey released on Monday.

The survey also said the growing significance of allied sectors such as animal husbandry, dairying and fisheries suggests that more emphasis should be placed on tapping

into the potential of these areas to boost farmers' incomes.

The agriculture sector, which has grown at an average rate of 4.18% over the last five years, remains critical for economic growth.

The survey emphasized the need to increase investment in technology, improve production methods, develop marketing infrastructure and reduce post-harvest losses to foster growth in this vital sector.

Highlighting China's success, where farmers' income doubled in just six years between 1978 and 1984, the



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survey suggested increasing farmers' income through crop diversification.

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methods, develop marketing infrastructure, and reduce post-harvest losses.

In 2022-23, India's food grain production hit an all-time high of 329.7 million tonnes, and oilseed production reached 41.4 million tonnes.

In 2023-24, food grain production was slightly lower at 328.8 million tonnes, primarily because of poor and delayed monsoon. Production of other crops, such as nutri cereals and oilseeds, increased marginally.

The survey suggested that promoting Farmer Producer Organizations, e-National Agriculture Market (e-NAM)

and allowing cooperatives to participate in agri-marketing could lead to better price discovery.

E-NAM refers to a pan-India electronic trading portal that networks the existing Agricultural Produce and Livestock Market Committees (APMCs) to create a unified national market for agricultural commodities.

As per commerce ministry data, export of agricultural and processed food products contracted by 3% in the current fiscal year, decreasing from \$6 billion in April-June 2023 to \$5.8 billion in April-June 2024.

The decrease in agri-exports draws significance given that the sector witnessed marginal decline when most of the commodities such as non-Basmati white rice, wheat, broken rice, sugar and onion, were banned for more than a year. Onion export was partially relaxed on 25 April.

The Economic Survey is an annual report or comprehensive review of the Indian economy during the fiscal year ended. It is prepared by the economics division of the finance ministry's department of economic affairs under the guidance of the India's chief economic advisor (CEA).

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