

# AGRICULTURE DISTRESS: ISSUE AND CHALLENGES

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**Abstract:** India's agricultural sector is under stress is not a secret. Reams of newsprint have been written about the spate of farmer suicides that have become as much an epidemic as any disease over the last ten years or so. Our real farmers known by their very look, a look of despair. They look more dead than alive. There is hardly a line of smile on their faces or a ray of hope in their hearts. The till-date measures by the central and state governments have proven ineffective in managing the issues and in infusing prosperity in the lives of farmers. This poses not only macroeconomic management challenges but distortions in the economy as well. Suicide by farmers is worldwide occurrence, but we cannot use this equation to cover up the flaws of our social, legal, economic, environmental and political domains. Researcher in this paper studied the issues of farmers like financial and credit issues, inadequate supply of fertilizer, inadequate irrigation facilities and increasing price of diesel price, labour cost, lack of application of agricultural extension services, insurance issue, inadequate warehousing facility in India etc. Further Researcher concluded and suggested that government had to laid down the emphasis on infrastructure building of warehouse for storage either by way of making investment alone or public private partnership which is essential not only for farmers but also for Indian economy.

**Key Words:** Agriculture extension services, Credit, Crop Insurance, Fertilizer, Irrigation facility.

## 1. INTRODUCTION:

The earth is the most generous employer in this country of a billion that has farmed this land for centuries. Agriculture, with its allied various sectors, is undeniably the largest livelihood provider in India. There is hardly a line of smile on their faces or a ray of hope in their hearts. The till-date measures by the central and state governments have proven ineffective in managing the issues and in infusing prosperity in the lives of farmers. Farmers are like seeds that rot themselves to give fruits and flowers to others. Farmers suicides are the most tragic and dramatic symptom of the crisis of survival faced by Indian peasants. Reams of newsprint have been written about the spate of farmer suicides that have become as much an epidemic as any disease over the last ten years or so. They belong to the class of have-nots, although they are the very backbone of our agriculture. They have a handful of children and a bagful of debts. They are the worst victims of our society. How sad this is to know that! 'Our feeders die for want of food!' Remember, Sympathies find no answer when the issue is such grave and lives of the pillars of humanity, our farmers, are at risk. Researcher, in this try to identify the challenge and issues of farmer and offer suggestions based on finding of the study.

## 2. OBJECTIVE:

To study the various challenges and issues face by the farmers in India such as financial and credit issue, lack of effective supply fertilizer, inadequate irrigation facilities, diesel cost, labour cost, lack of application of agricultural extension services, etc and to offer suggestions based on overall finding of the study.

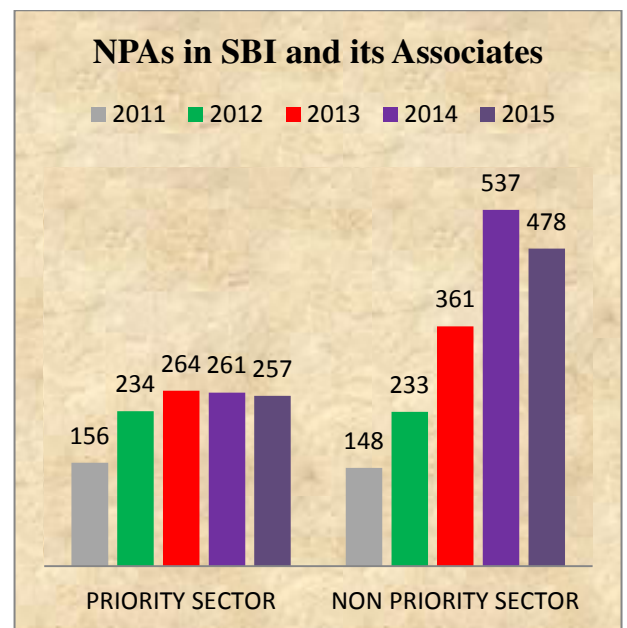
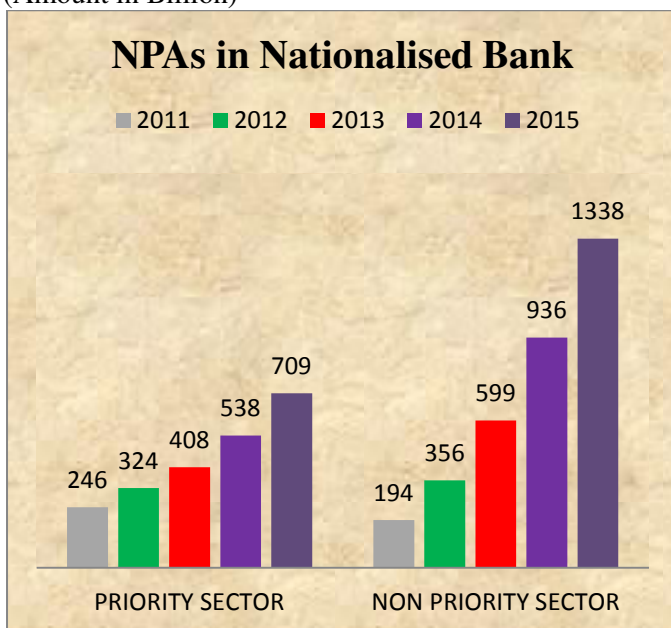
## 3. FINANCIAL AND CREDIT ISSUES:

Farmers are facing the ineffective farm credit delivery system for providing credit at lower rates of interest to support their source requirements of the agricultural. Farmers are further looking towards government for providing timely and adequate credit support to farmers with particular focus on small and marginal farmers, who are at large scale in society to enable them to adopt modern technology and improved agricultural practices for increasing agricultural production. Further there is lack of credit flow at the ground level through credit planning and adoption of regions specific strategies on farm loan. Low and stagnating yields and increasing input costs in agriculture lead to small margin for farmers and marginal farmers. The quality and productivity of banks and borrower level as well as mitigate credit risks to an extent possible. **It has been observed that Credit is restricted to agriculture as per landholding which would not help the farmer to increase their income.** Small farmer who work on an uneconomical land holding for cultivation and being exposed to the risks such environmental risk then they come under debt. Once the farmer falls into trap of debt due to crop failure or low prices of crops or malpractices of moneylenders, then he can never come out of it. Further when he is not able to repay the debt, then next season comes out which require the financial assistance which take them to vicious circle and never come out.

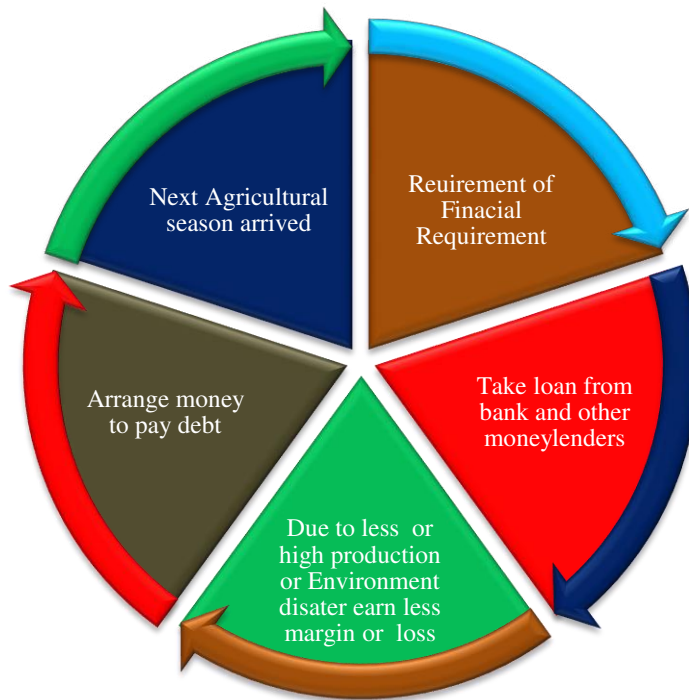


**The main causes of rural indebtedness in India** are low earning power of the borrower and very high rate of interest charged by the village moneylender such as 5% per month. Further Small farmers such as landless labourers, households residing in hilly, tribal, desert, drought prone and in backward areas are facing difficulties in access of credit from bank. Problem of loan repayments due to vicious circle leading to building up amount of NPA. The non performing asset in priority sector is less as compare to non priority sector of nationalized bank and SBI and its associate depicted in Graph 1 below:

(Amount in Billion)



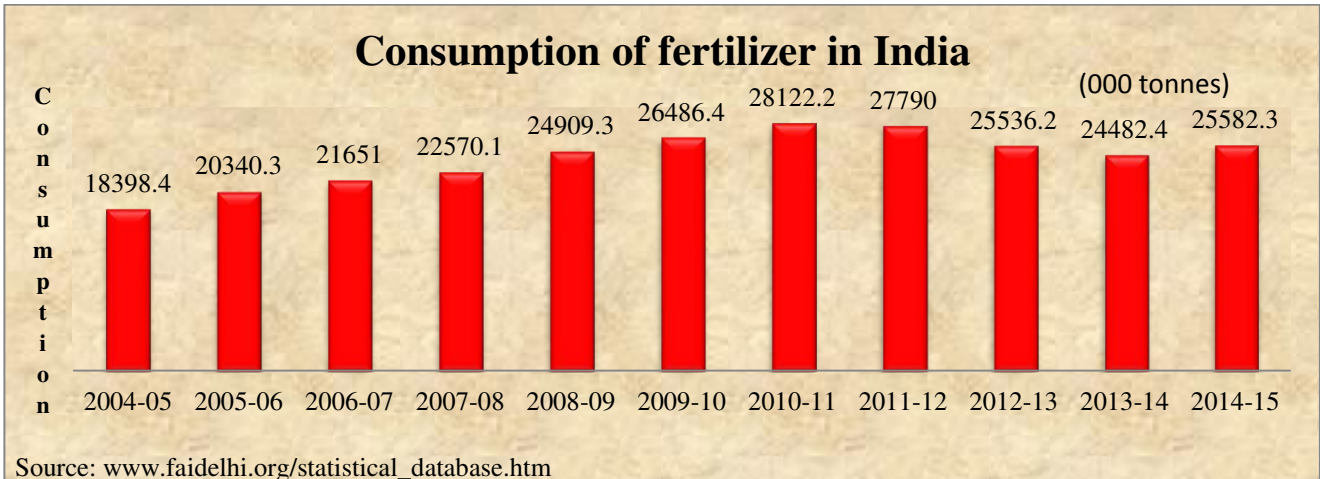
Source: Department of Banking Supervision, RBI.



**GRAPH 2: VICIOUS CIRCLE OF SMALL FARMER**

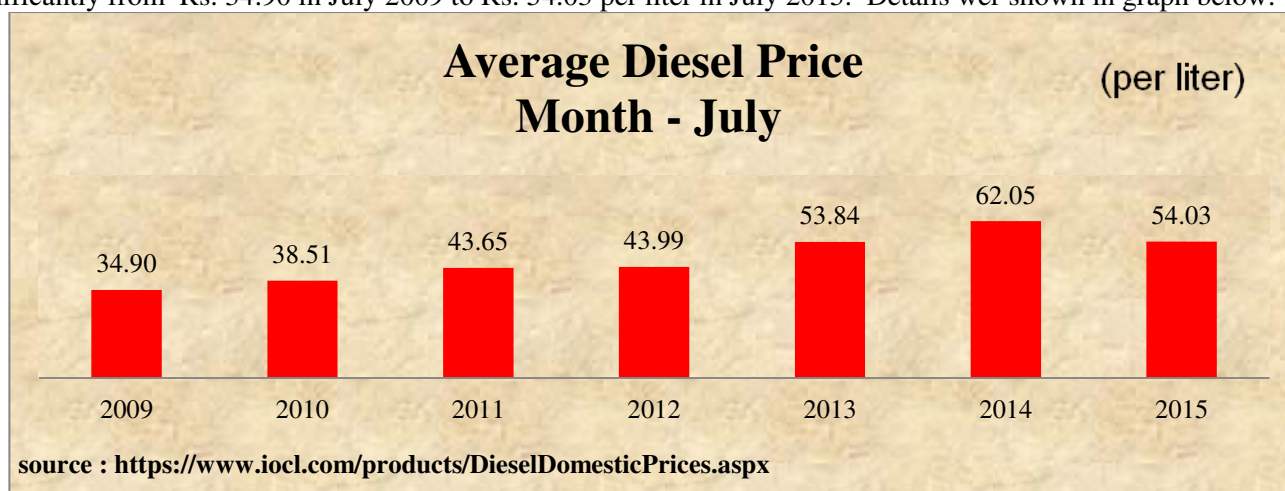
**4. LACK OF EFFECTIVE SUPPLY OF FERTILIZER:**

Government had tried to implement various policies related to fertilizer industry in India but the scenario or problems are still persisting. Indian soils are generally deficient in nitrogen, phosphorus and potassium and do not give high yields. **Fertilizer manufacturing companies and co-operatives such as** National Fertilizers Limited, Rashtriya Chemicals & Fertilizers Limited, IFFCO, **KRIBHCO** etc are not able to meet out the demand due to lack of effective supply of neem coated fertilizer during the season time which affect the farmer economically and they purchase at higher rate. Government had provided deduction to assessee under section 35AD, Income tax Act 1961, 150% weighted deduction available to assessee carrying on specified business essential for Indian economy which is investment linked incentive to the assessee for production of fertilizer in India but expansion and investment program are not yet taken place. Farmers don't move to fruits, vegetable, horticulture cropping because they require special non-Urea fertilizers, which are not easily available at cheap rates. Further maximum fertilizer manufacturing co-operatives are loss making due to the high interest burden. Most of time urea are sold to large farmers and commercial companies through illegal mode for their use and small and marginal farmers are facing the non availability of fertilizer force them to purchase chemical fertilizer at high rate which further enhance the input cost. The excessive use of urea which is deteriorating the soil health and adversely impacting overall crop yield. Further due to excessive use of Chemical fertilizers, groundwater is getting polluted and chemical bio-accumulation problem is impacting health of people. In Punjab and Haryana, problem is rampant and ground water is found to be polluted with arsenic, uranium, fluoride etc. Due to rising prices of fertilizers government is promoting organic farming and organic manure. Consumption of fertilizer in India was rising since 2004-05 and at the peak in 2010-11 with maximum consumption of 28122.2 thousand tonnes. 25582.3 thousand tonnes fertilizer was consumed in 2014-15. Details are shown below.



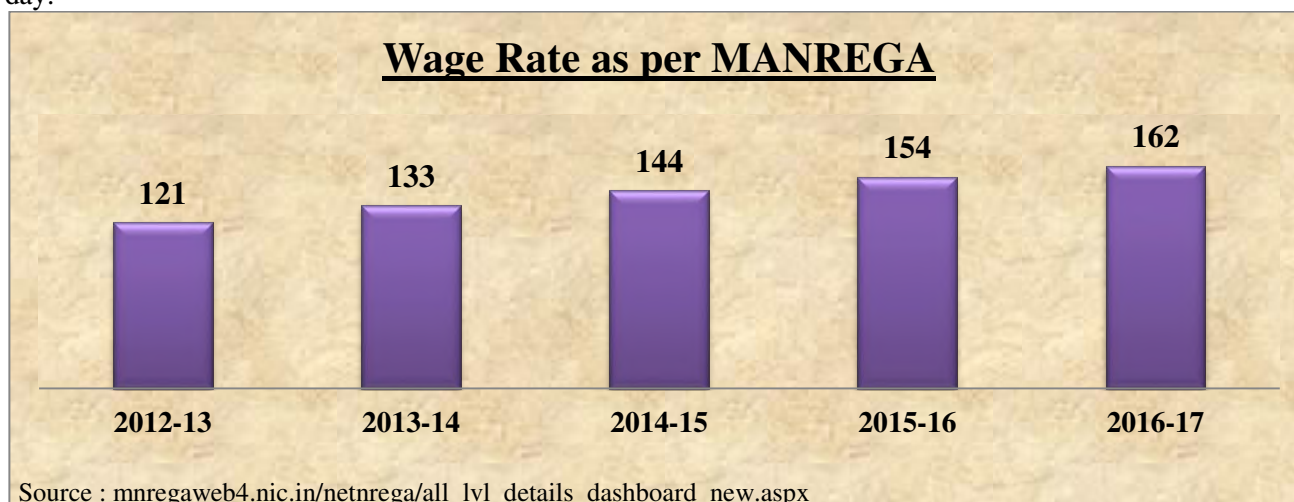
### 5. INADEQUATE IRRIGATION FACILITIES AND INCREASING TREND OF PRICE OF DIESEL:

Agricultural sector is going through difficult time with diminishing productivity, profits added with problems like unseasonal rains, increasing farmers suicides. Excessive monsoon dependence and incomplete irrigation facilities are critical aspect of the input cost. It has caused huge loss to commercial or cash crops along with horticulture crops. Tube-well facility provided by government is not working or abandoned in most of area. The tube-well operator is not available or if available then they are overburdened by the work due to non recruitment of operator. Farmers are not getting the water supply through the tube-well facility which forces them to use their own resources or hire to irrigate the land which leads to costlier as compare to government charges enhance the input cost. Diesel is one of the key ingredient in agriculture as input cost. Prices for inputs like seed and fertilizer remain elevated. Diesel and fertilizer costs remain high and eat up a larger portion of farmer's budgets. To analyze the impact of fuel prices on farmer's bottom line depends on how and to what extent he or she uses energy. Decline of the price is a good news for the farmer, but diesel price not fall proportionately. Oil prices decline but government not passes the benefit to consumer despite of that price is deregulated i.e. Petrol and diesel but farmers looking for immediate, substantial cost savings in the wake of oil's fall might be disappointed. From past few years Diesel price rise significantly from Rs. 34.90 in July 2009 to Rs. 54.03 per liter in July 2015. Details wer shown in graph below.



### 6. LABOUR COST:

There has been a sharp escalation in the cost of production, especially labour costs, in most of agricultural commodities in recent years. Farm labour is the bottom of economic pyramid. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which was initiated in 2006, 'pushed' up the average wage of casual workers, distorted the rural labour markets by diverting them to non- farm rural jobs, thus creating an artificial labour shortage and raising the cost of production of agricultural commodities. This has, in turn, pushed agricultural labour prices up, contributing to high input cost. Decline in farm land due to diversion of land due to non-agricultural use. Balance has to be struck to ensure primary character of crucial agriculture is not disturbed. Rampant urbanization also one of the major reason for hike of labour cost. Urbanization could take place due to non-fulfilment of basic needs such as employment, quality of education medical facilities etc. Further country like India there is 'pull' factors exerting pressures on demand for rural labour, leading to increased migration from rural to urban areas, and thus pulling up farm wages. In 2012 -13 the labour wage rate in MANREGA was Rs. 121 and in 2016-17 it was Rs. 162 per day.



## **7. LACK OF APPLICATION OF AGRICULTURAL EXTENSION SERVICES AND EXPERT ADVICE:**

Lack of application of agricultural extension Services and expert advice in respect of agricultural related problems is not reaching till the farmer. For example, Soil sampling should be done on an individual field basis and samples from different fields should not be mixed and major areas within fields having distinctly different soil properties such as texture should be sampled and fertilized as separate fields because of different nutrient requirements but due to lack of information and time constraint during season they not get soil tested. Central and various state government tried to enabling the transfer of knowledge from "lab to land" through various project such as Agriculture resource information system network (AGRISNET), e-krisi, India development gateway (In DG) portal, Rice knowledge management portal etc. Various web portal for market information and agri – Business firm's portal to farmers such as ITC – e- choupal, Indiancommodities.com, IFFCO Agri-portal etc. despite of all this, farmer are not aware about these facilities to access the information, data mining, use of android application phone and internet. Illiteracy in farming community is not allowing them to be more rational. Still there are instances where our farmers are using excessive fertilizers that actually are depriving the fertility. Further due to illiteracy, it is difficult task to make it possible to make application of scientific knowledge in agriculture. However it can be done through advertisement at mass level to make them aware.

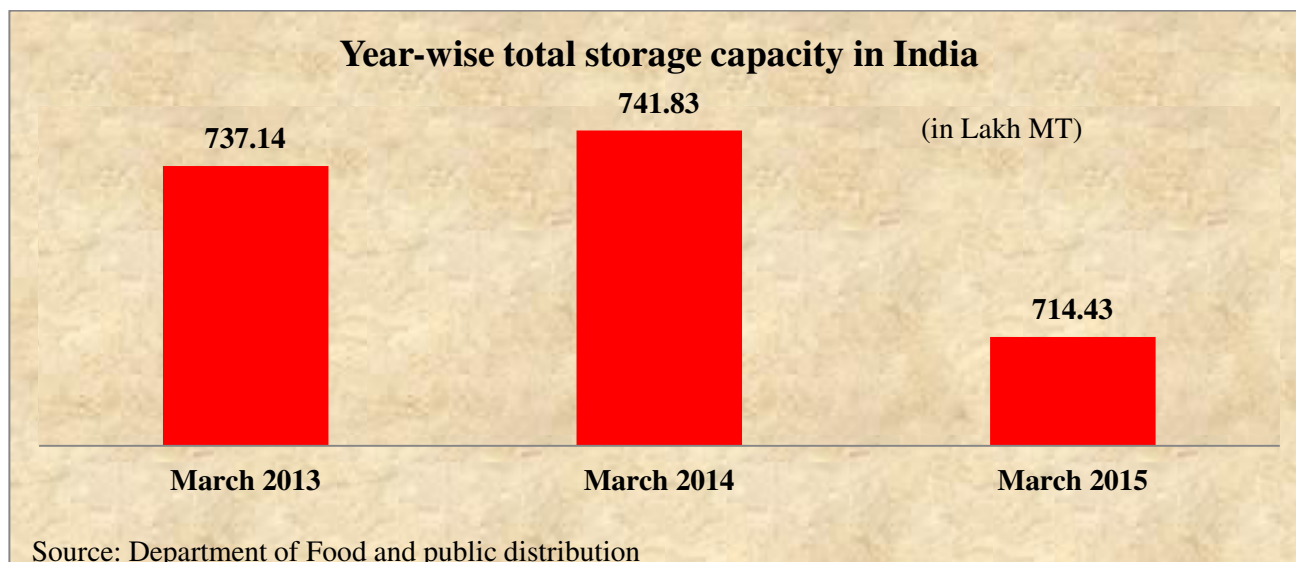
## **8. AGRICULTURE INSURANCE ISSUES:**

In order to protect farmers against crop failure due to natural calamities, pests & diseases, weather conditions, Government of India had introduced the National Crop Insurance Programme (NCIP) with component schemes of Modified National Agricultural Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) etc. Various schemes have badly failed in delivering what they intended. Ineffective implementation of policies which lead to take more than a year to settle the claims. When there is crop failure or damage, farmers need immediate relief, atleast before starting of next emergence of sowing season. Delay settlement procedure fails the entire purpose of giving compensation to the affected at a time when it is most needed. In the absence of a more scientific mechanism of doing this, these assessments are unable to give an accurate value of the produce. In absence of this relief they have to forego crop for a season or depend upon expensive finance through informal sources which leads to financial or credit issue. Further, pricing of premium is arbitrary and profitability of farmers is not considered in this. In some crops premium is more than expected return on the crop. This keeps away small and marginal farmers from insurance. Yet they are the ones who need insurance the most. Due to all these issues the new scheme "Pradhan Mantri Fasal bimayojana (PMFBY) has been approved for implementation from Kharif 2016 along with pilot Unified Package Insurance Scheme (UPIS) and restructured Weather Based Crop Insurance Scheme (WBCIS). Under the PMFBY, a uniform maximum premium of only 2% will be paid by farmers for all Kharif crops and 1.5% for all Rabi crops. In case of annual commercial and horticultural crops, the maximum premium to be paid by farmers will be only 5%. There are existing crop insurance schemes, the problem is most haven't benefited farmers. Only about 20 percent of all farmers in the country are insured for crop damage. This is because the insurance premium is seen as an added burden over and above the loans they are already struggling to pay. Although the scheme has subsidised the insurance premium for the farmers, it has also made it mandatory for the states to share the rest of the premium with the Centre. The states are unwilling to share this burden as it is too high for them — in some states, it accounts for almost more than half of their agriculture budget. With the existing loopholes and unresolved issues in the implementation of the scheme it seems that the farmers might have to wait for even longer to secure their livelihoods in this climate risked world.

## **9. INADEQUATE WAREHOUSING FACILITY IN INDIA:**

Agricultural produce to the tune of Rs. 50,000-60,000 crore is lost due to poor post-harvest infrastructure, inadequate storage capacity, regional imbalance in warehouses, lack of adequate scientific storage, inefficient logistic and supply chain management in the country. It is said that each grain bag is handled at least six times before it is finally opened for processing which leads to higher storage & transportation charges and also increases to wastage of food grain during transit & handling. India's total Agri-warehousing capacity of nearly 714.43 Lakh MT, Food grain is the main commodity stored, while the other major crops storable in the godowns include oilseed, spices and cotton. Though the government has started focusing on building storage capacity through various schemes, the focus is still largely on the storage of wheat and rice which are considered as staple food in the country. Government had provided deduction to assessee under section 35AD, Income tax Act 1961, 150% weighted deduction available to assessee carrying on specified business essential for Indian economy which is investment linked incentive to the assessee for setting up a cold chain facility for storage or transportation of agriculture and forest produce in India but expansion and investment program are not yet taken place. Further the storage capacity is reflecting the declining trend shown in graph below. Even with significant development of storage capacity, about 30-40 per cent of horticulture produce is wasted annually due to inadequate storage and transportation facilities. Most warehouses and logistics providers lack adequate scientific and technical facilities to store and transport perishable commodities such as seafood, fruits, vegetables. The total state owned storage capacity is held through three public sector agencies viz. Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Warehousing Corporation (SWC). Further, the

storage capacity available with State agencies are primarily used for keeping central stock of food grains for the buffer stock, public distribution systems and other Government schemes which consequently leaves only a marginal capacity for other players to store their produce. Also due to the existing regional imbalance the government's capacity to procure produce is limited, which has recently led to fall in prices and compelled the farmers to sell their produce below its MSP. In March 2013, India has 737.14 Lakh MT storage capacity which enhance to 741.83 Lakh MT in March 2014 but there is considerable decline in storage capacity which is reduce to 714.43 Lakh MT in March 2015. With all these issues, much needs to be done to built additional storage capacity and infrastructure building, renovate existing warehouses and implement a robust system to address the issue of storage.



### ZONE-WISE STORAGE CAPACITY

(in Lakh MT)

Zone/ Year	March 2013	March 2014	March 2015
East Zone	48.02	47.46	41.69
North East Zone	8.48	8.77	7.59
North Zone	380.60	393.18	440.74
South Zone	148.82	127.84	99.81
West Zone	151.22	164.58	124.60
<b>Total</b>	<b>737.14</b>	<b>741.83</b>	<b>714.43</b>

Source: Department of Food and public distribution

Note: Storage capacity pertains to FCI, CWC and SWC. It include both owned and hired, covered and cap storage

#### 10. LACK OF AVAILABILITY OF MARKET TO SELL THEIR CROP:

Facing various difficulties during sowing and growing the crop, the next problem arise that where to sell the crop and realize the money at the earliest so that repayment of loan can be done either taken from bank or from private lenders. Farmers are not able to sell their crop at government shop, “*Sahakari Gramin Kharidar Kendra*”, due various issues like delay in payment, corruption, etc. Due to non availability of structured market, farmers are forced to sell their crop at a lower price to commission agent who book huge profit at a cost of farmers. Reforms are required in respect of agricultural marketing. There is a lack of private sector investment in development of post- harvest marketing infrastructure to reduce wastages and to access to global markets. Further there is a lack of private market yards managed by a person other than a market committee, direct sale in retail by the farmers to the consumers, direct wholesale purchase of agricultural produce by processors, exporters etc at the farm-gate and single point levy of market fee across the state.

#### 11. INADEQUATE MINIMUM SUPPORT PRICE:

The Government's price policy for agricultural commodities seeks to ensure remunerative prices to the growers for their produce with a view to encourage higher investment and production and to safeguard the interest of consumers by making available supplies at reasonable prices with low cost of intermediation. The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP). Minimum Support Price is the price at which government purchases crops from the farmers, whatever may be the price for the crops. Minimum

Support price generally affect farmers' decisions indirectly, regarding land allocation to crops, quantity of the crops to be produced etc. The MSP helps to provide incentive to framers and ensures adequate foodgrains production in the country but the farmers in the state are not getting adequate price for their crop and thus making losses due to distress sale. Farmers were not able to sell their crop at government centres and were pushed into the arms of middlemen. While the rising number of farmer suicides is only a reflection of how fragile the agrarian economy is, the entire focus is on providing adequate relief and compensation to farmers who suffered crop losses. In this bargain, the real issues confronting farming are once again being sidelined. Once the rains are over, the relief distributed, and the nation's attention shifts to how much the loss in crop production is and the resulting impact on food inflation, farmers will once again be forgotten. The government raised the nominal amount of minimum support price for various crop per quintal, which is not enough to offset the additional burden of inflation at present time. Despite being at the bottom of the pyramid, Indian farmers have not failed the nation. While they continue to produce a bumper harvest year after year, they are made to pay the price for keeping food prices low for consumers. In Kharif crop maximum hike of 20.13% and 19.42% Arhar and soyabean is done from 2012-13 to 2016-17. Further in Paddy, Maize and Ragi the MSP has been increased by 17.97%, 16.17% and 15.00%. In other goods MSP has been increased 4.09% to 13.19% listed in table below. In Rabi crop MSP was raised by 25% and 17.86% in barley and Safflower from 2012-13 to 2015-16. Rest in other crops MSP was raised from 10.77% to 14.66%. The trend of increasing the minimum support price shows that government has expressed its inability to hike the MSP. Further they are thought of providing a higher price to farmers will distort the markets. It shows the markets are only exploiting the farmers. If the markets had been provided to farmers then the need of minimum support price may get eliminated.

### YEAR-WISE MINIMUM SUPPORT PRICE (MSP)

#### KHARIF CROP

S. No.	Commodity	Variety	2012-13	2013-14	2014-15	2015-16	2016-17	% Increase (2012-13 to 2016-17)
1	Arhar (Tur)		3850	4300	4350	4425	4625	20.13
2	Soyabean	Yellow	2240	2560	2560	2600	2675	19.42
3	Paddy	Grade 'A'	1280	1345	1400	1450	1510	17.97
		common	1250	1310	1360	1410	1470	17.60
4	Maize		1175	1310	1310	1325	1365	16.17
5	Ragi		1500	1500	1550	1650	1725	15.00
6	Bajara		1175	1250	1250	1275	1330	13.19
7	Groundnut in Shell		3700	4000	4000	4030	4120	11.35
8	Moong		4400	4500	4600	4650	4800	9.09
9	Jowar	Maldandi	1520	1520	1550	1590	1650	8.55
		Hybrid	1500	1500	1530	1570	1625	8.33
10	Cotton	Middle Staple	3600	3700	3750	3800	3860	7.22
		Long staple	3900	4000	4050	4100	4160	6.67
11	Nigerseed		3500	3500	3600	3650	3725	6.43
12	Urad		4300	4300	4350	4425	4575	6.40
13	Sunflower Seed		3700	3700	3750	3800	3850	4.05

#### RABI CROP

S. No.	Commodity	2012-13	2013-14	2014-15	2015-16	% Increase (2012-13 to 2015-16)
1	Barley	980	1100	1150	1225	25.00
2	Safflower	2800	3000	3050	3300	17.86
3	Masur (Lentil)	2900	2950	3075	3325	14.66
4	Gram	3000	3100	3175	3425	14.17
5	Wheat	1350	1400	1450	1525	12.96
6	Rapeseed/ Mustard	3000	3050	3100	3350	11.67
7	Toria	2970	3020	3020	3290	10.77

**12. EXAMPLE:**

Lets understand the whole scenario with the recent case undertaken between June to Aug 2016 in respect of tomato. Farmers are facing the abovementioned issues as discussed like financial and credit issue, inadequate support, rising price of labour and diesel cost, and other issues like suicides by farmers, prevailing poverty, illiteracy, unemployment are some attribute of the farm distress in India. Tomato farmer are in deep distress as prices have fallen sharply below cost of production. This may not only force the farmer from shifting to other remunerative crops and thereby it may lead to a shortage in the next season. Farmers are selling at Rs 5-6 per kg across most of major growing states wholesale Market/ mandis. Tomato prices had skyrocketed to Rs 27. 50 to Rs. 57 per kg except Trivandrum where price was Rs. 75. per Kg in most of wholesale Market/ mandis in the month of June. In retail, tomato price was hovering around Rs 60 to Rs. 85 per kg. The fresh tomato crop is expected to arrive in August - September and till then prices are expected to remain under pressure. In month of Aug 2016, tomato price fell to Rs 3-3.50 per kg in August 2016 on huge production estimates and a sharp increase in its arrivals. In month of Aug 2016, tomato is selling in wholesale market between Rs. 6 to Rs. 13.50 per kg and in retail market between Rs 10 to 20 per kg across the country depending upon the quantity of supply. This fall is due to sharp increase in output estimate was authenticated by a spurt in arrivals in major market/ mandis. Wholesale price have benefited multiple times to retailers and traders, particularly for sale of essential commodities and this process hit the farmer and consumer as farmers margins significantly reduced where consumers are paying unreasonable high prices.

**PRICE MOVEMENT IN TOMATO FROM JUNE TO AUGUST 2016**

(per Kg)

Cities	Wholesale			Retail		
	June 16	August 16	Variation (%)	June 16	August 16	Variation (%)
Hyderabad	38.00	6.00	<b>-84.21</b>	70	10	-85.71
Chennai	57.00	6.50	<b>-88.60</b>	70	12	-82.86
Trivandrum	75.00	13.50	<b>-82.00</b>	85	18	-78.82
Nagpur	27.50	6.60	<b>-76.00</b>	60	18	-70.00
Ahmedabad	32.50	7.50	<b>-76.92</b>	60	20	-66.67

Source : Compiled by BS Research Bureau

Source : National horticulture Board

With the fall in the prices of tomato, the farmers were forced to dump their product into garbage bins. The destairing farmers were not able to recover even the cost of harvest. Had the government taken prompt steps at an early stage to protect the farmers from such an adversity by providing cold chain storage facility, then the wide fluctuation in the prices of tomato could have been prevented. Due to huge production, if the government maintain the warehouse for agricultural produce and purchase at the cost plus marginal profit from the farmer and stored the same in warehouse then government is in position to prevent from the significant decline in price of tomato in the market. Further farmers are also in position to earn profit and not force to sell their crops below break- even point or destroy on roads or on agricultural land and further consumer are also get benefitted. If demand rises in market and prices started increasing then government can release the stock in market so that price can be stabilize and sustain through which the consumer get benefitted. Fluctuations in prices bring uncertainty and instability to the economy. Rising and falling prices are both bad because they bring unnecessary loss to the some and undue advantage to others. Further price inflation, Black Marketing and hoarding which is a macro economic challenges for a country can also addressed. However during the research it has been observed that storage capacity in India is reflecting a declining trend by 27.4 Lakh MT i.e. 741.83 Lakh MT in March 2014 to 714.43 Lakh MT in March 2015 which is not a good sign for the health farmer and the country. Investment in warehousing facility may address the macro economic issues such as price stability. So a policy of price stability keeps the value of money stable, eliminates cyclical fluctuation, brings economic stability, helps in reducing inequalities of income and wealth, secures social justice and promotes economic welfare.

**13. SUGGESTIONS:**

- The abovementioned challenges and issues we discussed are the symptoms where the major problem is overburden by the masses that are dependent on this sector. It led to the formation of vicious cycle and marginalises the vast section of the society which falls back into the trap of distress in case of any misfortune. Their are some following suggestion to overcome from the such situation:
- Government had to laid down the emphasis on infrastructure building of warehouse for storage either by way of making investment alone or Public private partnership which is essential not only for farmers but also for Indian economy. Deduction to assessee under section 35AD, Income tax Act 1961, for setting up a cold chain facility for storage or transportation of agriculture and forest produce in India need to be enhanced.



- The Bankers should emphasis through credit planning, adoption of regions specific strategies and bringing down the rate of interest on agricultural loan. Small farmers are affected due to high interest rate from lenders from bank and other moneylender. Credit should not be restricted on the basis of landholding and provided credit for diversified purpose, past track record, willingness and capacity to repay the loan. *Credit is a key ingredient as input in the modernization of agriculture. Further it not only removes the financial constraint but it also accelerates the adoption of new technology. Qualified trained young bankers need to be send at rural branch level who are aware about the bank products enable them to identify all those financial needs of villagers effectively and categorize the customers which saves costs. Further credit planning need to be improved at grass root level, effective involvement and cooperation required from bank and their staff.*
- Government should frame and implement the effective logistics system during the season time. **Neem Coated Urea need to be made available to small and marginal farmers** as it reduces the consumption of the fertilizer and enhance the yield. farmers are aware that optimum yields of high quality crop can not be obtained without adequate fertilizer. Further instead of subsidizing fertilizer, the government can simply transfer the cash to farmers equivalent to the current fertilizer subsidy. It will help the government to support the small and marginal farmers. Digitization of land records need to be done which will help the government to transfer the benefit. Government and concerned ministry should identify the new thrust area of fertilizers business and Investment need to enhanced. Government project which were delayed due to administrative procedure need to be cleared and implement at the earliest. Deduction provided under section 35AD – 150% weighted deduction available to assessee carrying on specified business essential for Indian economy which is investment linked incentive to the assessee for production of fertilizer in India such as business should commence its operation in a new plant or in a newly installed capacity in existing plant for production of fertilizer need to be enhanced. Further soil quality and linked fertilizer usage pattern,
- Government should focus on infrastructure building and frame a mechanism to make/ create awareness through Block development officer. They need to be provided with laptop and tablets so that weekly or monthly seminar needs to be conducted in every village by gram sewak under guidance of Block development officer. Mass level advertisement need to be done in local newspaper to make them aware about abovementioned online facilities so that they can access the relevant information of their use. At the same time promoting educational and skill development institutions in rural areas which will provide a viable option to farmers.
- Government should adopt the new technologies for assessment/ estimation of crop produce i.e. through remote sensing and satellite data.
- Agriculture sector needs competitive and well- functioning markets for farmers to sell their produce. In order to remove restrictive and monopolistic practices of present marketing system, reduce the intermediaries in supply chain and enhance private sector investment in development of post- harvest marketing infrastructure to reduce wastages and to benefit farmers through access to global markets,
- Disbursement of crop insurance should be efficient and effective without any delay.
- Government should frame the policy in respect of providing free of cost electricity on the basis of Bank account transaction, training to farmer in respect Animal Husbandry, Poultry farm, agro-forestry, animal rearing, rainwater harvesting, application of best scientific agricultural practices, etc.

#### 14. CONCLUSION

Government need to emphasis on providing the market to sell their crop and huge investment is required to enhance our storage capacity instead of waiver of loan. Government had to laid down the emphasis on infrastructure building of warehouse for storage either by way of making investment alone or Public private partnership which is essential not only for farmers but also for Indian economy. Government should maintain the warehouse for agricultural produce and purchase at the cost plus marginal profit from the farmer and stored the same in warehouse then government is in position to prevent from the significant decline in price of agricultural crop in the market. Further farmers are also in position to earn profit and government and consumer are also get benefitted. If demand rises in market then government can release the stock in market so that price can be stabilize and sustain Further price inflation, Black Marketing and hoarding which is a macro economic challenges for a country can also addressed which is beneficial for farmer and consumer both.

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