

Doubling farmer's income is not just a necessity for farmers but a crucial driver for India's economic growth
(100M)

Finance minister during her budget session - (2025-26) speech said that "Agriculture is the first and most crucial growth engine of India's economy. It is not just a traditional field but an important pillar of food-security, rural economy and self-reliance." The Budget 2025-26 also shows major policy-shift and investment roadmap for modernizing agriculture, to increase productivity and to increase India's position in Global Agri-trade.

Such a huge transformation in Agriculture and eventually its greater role as a growth engine of Indian economy can only come true if the status of farmers do not undergo radical changes. The foremost thing to achieve those changes would be Doubling farmer's income.

The farmer's income is directly dependent of its crop-productivity. Although India ~~is~~ has become self-sufficient in many crop-production but if we compare the crop-productivity of major staple crops, we find a huge difference in productivity as compared to nations like USA, China etc.

The low productivity of crops is mainly due to factors like small land holdings of majority of farmer, traditional agricultural technique and soil degradation owing to overuse of fertilizer and pesticides. Niti Aayog's 2022 report estimates that around 85% farmers are small and marginal farmer i.e. having land-ownership less than 2 hectare.

Small land holdings limit the farmer's capacity to adopt the modern technology and to get benefit of extension services. This facilitates farmer to remain in trap of subsistence farming. In case of large land holding farmers, due to traditional agricultural technique, productivity is impacted.

Apart from this, farmers still depend upon traditional irrigation practices and have low institutional credit. NABARD report of 2023 reveals that more than 60% irrigated land still depends upon traditional flood irrigation. With this, in case of lack of institutional credit leave farmers in the trap of informal lending with interest rate as high as 18% which could be 8 or 9 percentage if lent by Kisan Credit Card - a subsidised government sponsored loan credit scheme.

All the above factors finally leads to financial - instability which compelled them to remain in low income group. Jules Pretty in his book "Agriculture: Reconnecting people, land and Nature" states that countries which have adopted high-tech precision agriculture, the income of farmers in those countries is double in comparison with tradition farmers.

As per Economic survey of 2023-24, India's population's more than 50% and more than 75% of Bihar's population is still indulged into Agriculture and allied activity. It clearly indicates that doubling farmer's income is not just farmers necessity but it will be equally useful for reaping the demographic dividend of such a large population. Hence, they can be

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crucial^{driver} for India's economic growth,
Farmer's income is directly
related to crop-productivity and this
crop-productivity can be improved
through AI-based Precision Agriculture,
Irrigation expansion and market linkage
reforms etc. With this, institutional
credit linkage with farmer through
Kisan Credit Card (KCC) and use of
large network of Post offices and its
sister concern India Post Payment Bank.

Government of India in
Budget (2025-26) is planning to develop
India Post Payments Bank as a rural
economic catalyst wherein this Bank will
provide not only digital banking but also
online marketing, logistics facilities
through development of e-commerce portal
like Amazon of USA.

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apart from this government with aim to develop ~~for~~ Farmer Produce Organisation (FPO) and to add value addition in crop - produced, are coming up with initiatives like establishment of "MAKANA Board". Through these efforts, farmer's collective bargaining power increases. It has implications on farmer's income as well. As per World Bank's 2023 report, farmers, through cooperative and collective model, can increase their income by (25-30)%.

All these efforts will not only raise the income level of farmers but also make rural economy self-reliant. If more than half of the population gets financial security through raised income, it will have multiplier effect. As high income

will lead to high demand of goods and services, which in turn motivate other sector to invest and grow.

Altogether, we can say that road to India's ~~de~~ dream of developed nation by 2047 goes through farm-land of this country. Prosperous agriculture-productivity will facilitate raised income levels of people in agriculture and allied activities. This prosperity can be achieved through government policy-shift. ~~##~~ And, we will be able embrace technology-driven, climate and financially sustainable agriculture, working as growth engine of maximum efficiency for Indian economy.