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**DAILY EDITORIAL
ANALYSIS**

TOPIC

**Imperatives to Enhance
Agricultural Performance in
India**

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IMPERATIVES TO ENHANCE AGRICULTURAL PERFORMANCE IN INDIA

In Context

- India's agricultural sector, despite its vast acreage, faces challenges in productivity and competitiveness. While foodgrain production reached a record high in 2023, the sector's contribution to GDP has declined due to lagging growth compared to other sectors.

Decline in Agriculture's GDP Share

- There is a significant **decrease in the share of agriculture in India's GDP from 35% in 1990-91 to 15% in 2022-23**. This shift underscores the rapid growth of the industrial and service sectors.
- Despite challenges, India's foodgrain production reached a record **high of 3.2 billion tonnes in 2023**, reflecting an increase of 140.71 million tonnes from the previous fiscal year.
- With a population exceeding 1.40 billion, ensuring food security is a pressing concern, necessitating continuous innovation in the agricultural sector.

Key Challenges

- **Limited Availability of Advanced Crop Nutrition:** India lacks access to tailored crop nutrition due to regulatory constraints and hurdles in the licensing process. This hinders the adoption of innovative fertilizers that could boost productivity.
- **Subsidized vs. Specialty Fertilizers:** Bulk fertilizers, which are heavily subsidized, often do not meet the targeted nutritional needs of crops, whereas specialty fertilizers face regulatory barriers that limit their market introduction.
- **Innovation and Efficiency:** The gap in adopting innovative agricultural practices and fertilizers limits the potential for higher yields and competitiveness in global trade.
- **Subpar Yields:** The lack of advanced fertilizers and regulatory constraints contribute to lower crop yields, affecting farmer incomes and export potential.
- **Stringent Regulatory Process:** The Fertilizer Control Order (FCO) in India makes the fertilizer registration process lengthy and cumbersome, discouraging innovation and the introduction of new products.

Government Reforms and Initiatives

- **National Trade Facilitation Action Plan (NTFAP) 2017-2020:** While primarily focused on cross-border trade, this initiative indirectly contributes to agricultural efficiency by improving import/export processes for agricultural inputs and products.
- **2014 Guidelines for Water-Soluble Fertilizers:** This reform demonstrates the government's willingness to streamline regulations and promote innovation in the fertilizer sector. It reduced approval times for new water-soluble fertilizers to less than 60 days, leading to increased fertigation and better crop quality.
- **Digital Registration Processes:** Efforts to digitize applications for fertilizer registration to streamline processes and ensure quicker approvals, facilitating the introduction of innovative products.

Way Ahead

- **Micro-nutrient Coated Fertilizers:** Incorporating micronutrients into bulk fertilizers can enhance efficiency and reduce subsidy reliance.
- **Streamlined Regulatory Framework:** Establishing general specifications for fertilizers with minimum nutrient and maximum contaminant levels can expedite the approval process for innovative products.
- **Digitalization of Registration Process:** Online applications and faster approvals can streamline the introduction of new fertilizers.
- **Learning from Success Stories:** Emulating the 2014 guidelines for water-soluble fertilizers, which reduced approval times and boosted fertigation acreage, can be a model for further reforms.

- **Investment in Research and Development:** Allocate resources to develop new fertilizer formulations tailored to Indian soil and crop needs.

Conclusion

- **Reforming the fertilizer registration process** and promoting innovative solutions are crucial for enhancing agricultural productivity, empowering farmers, and ensuring sustainable growth in the sector.
- By streamlining regulations, incentivizing research, and embracing digital solutions, India can unlock its agricultural potential and achieve greater competitiveness in global markets.

Mains Practice Question

[Q] Examine the challenges faced by the Indian agriculture sector in integrating advanced crop nutrition.

Source: [BL](#)

