

National Agricultural Policy 2000

Agriculture is one of the important backbones of Indian economy. Agriculture has special significance for low income, poor and vulnerable sections of rural society. India's agriculture policy stabs to ensure that agriculture is **profitable** and farm **prices are stable** through assured minimum support prices (MSP) to farmers and confirming subsidized food access to underprivileged consumers through the Public Distribution System (PDS).

Rapid sustainable growth in the agricultural sector remains dynamic for creating of jobs, enhancing incomes, and ensuring food security. Therefore, proper policy for agriculture sector is essential to improve the living standards and the welfare of the people as a whole.

The policy (Announced on 28th July 2000)

This is the first ever national agriculture policy (2000) of India and seeks to actualise the vast untapped growth potential of Indian agriculture, strengthen rural infrastructure to support faster agricultural development, accelerate the growth of agro

business, create employment in rural areas, secure a fair standard of living for the farmers and agricultural workers and their families, discourage migration to urban areas and face the challenges arising out of economic liberalization and globalisation.

Objectives

Over the next two decades, it aims to attain:

- A growth rate in excess of 4 per cent per annum in the agriculture sector;
- Growth that is based on efficient use of resources and conserves our soil, water and bio-diversity;

- Growth with equity, i.e., growth which is widespread across regions and farmers;
- Growth that is demand driven and caters to domestic markets and maximises benefits from exports of agricultural products in the face of the challenges arising from economic liberalization and globalisation;
- Growth that is sustainable technologically, environmentally and economically.

Salient features

1. Privatisation of agriculture and price protection of farmers in the post QR (Quantitative Restrictions) regime would be part of the government's strategy to synergise agricultural growth.
2. Private sector participation would be promoted through contract farming and land leasing arrangements to allow accelerated technology transfer, capital inflow, assured markets for crop production especially of oilseeds, cotton and horticultural crops.
3. Private sector investment in agriculture would be encouraged, particularly in areas like agricultural research, human resource development, post-harvest management and marketing.

4. After the dismantling of QRs (quantitative restrictions) on imports, the policy has recommended formulation of commodity wise strategies and arrangement to protect farmers from adverse impact of undue price fluctuation in the world market and promote exports.
5. In order to minimise the wide fluctuations in commodity prices the government would enlarge coverage of future markets.
6. Restriction on the movement of agricultural commodities within the country is reduced.
7. Main stress is given on rural electrification.

8. The excise duty on materials such as farm machinery and implements and fertilizers, post -harvest storage and processing would be reviewed.
9. The use of new and renewable source of energy for irrigation and other agriculture purposes would be encouraged.
10. Progressive institutionalisation of rural and farm credit would be continued for providing timely and adequate credit to farmers.

Implications of New Agricultural Policy 2000

India has the second largest arable land, next to It has a vast potential to exploit and improve agriculture sector. Yet we have not achieved the goals and targets laid down in our Five Year Plans and in the agricultural policies announced by the Government.

The NAP 2000 implies that the agricultural sector requires to undergo many changes These are

1. Increase productivity
2. Reduction in agricultural population
3. Increase in investment

4. Private investment
5. Research and Development
6. Extension program
7. Appropriate technology
8. Area specific development strategy
9. Use of wasteland
10. Service cooperatives
11. Land reforms
12. Change in attitude
13. Price policy