

# Challenges to Food Security in India: A Critical Analysis

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## ABSTRACT

One of the following issues encountered by the Indian poor masses since centuries together is food scarcity and food problem. India, after attainment of independence gave top priority to growing more food grains and to that effect the planners of India have given top priority to agriculture production and its allied fields. Various schemes and programmes have been initiated by the policy makers, but still there were plethora problems and impediments in the effective implementation of these schemes. After having entered into twenty first century, India no doubt achieved various successes in science and technological fields; but remained dwarf in meeting the bare food needs of the people who are at below poverty line. Huge budget allocations were made for the last eleven five year plans but the target of providing stomach full, day in and day out supply of food has not reached to the satisfactory level. In view of addressing the issue of food problem and providing the provision of Right to Food to each and every human being in our country, the UPA Government has enacted a novel Act entitled “Indian National Food Security Act – 2013 which is also termed as ‘Right to Food Act’ September 12, 2013 (NFSA) giving retrospective effect from July 5, 2013. The Act basically aimed at providing subsidized food grains to as many as 1.4 billion people. To assess the effectiveness and impact of this Act is premature to comment. However there are certain problems and issues to be addressed in the course of implementation of this Act. In this paper an attempt is made to highlight the problems and issues veiled in the Act and present remedial solutions to make this Act, more effective and productive oriented.

**Keywords:** Food grains, Food Scarcity Bill, Cultivation, Crop Holiday, PDS. NFSA and MSP etc.

## Introduction:

The Indian National Food Security Act, 2013 (NFSA) also Right to Food Act. was signed into law September 12, 2013, retroactive to July 5, 2013. This law aims to provide subsidized food grains to approximately two thirds of India’s 1.2 billion people. Under the provisions of the bill, beneficiaries are to be able to purchase 5 kilograms per eligible person per month of cereals at the subsidized prices. Pregnant women, lactating mothers, and certain categories of children are eligible for daily free meals. The bill has been highly controversial. It was introduced into India’s parliament in December, 2012 by UPA Government, promulgated as a presidential ordinance on July 5, 2013, and enacted into law in August 2013.

## Salient features of the Act:

1. Children 6 months to 14 years of age are to receive free hot meals or “take home rations”: The states

are responsible for determining eligibility:

2. 75% of rural and 50% of the urban population are entitled for three years from enactment to five kg food grains per person per month.
3. Pregnant women and lactating mothers are entitled to a nutritious “take home ration” of 600 calories and a maternity benefit of at least Rs.6,000/- for six months’
4. The state government will provide a food security allowance to the beneficiaries in case of non supply of food grains;
5. The Public Distribution System is to be reformed: and
6. There will be state-and district level redress mechanism; and The cost of the implementation is estimated to be S22 billion (1.25 lac crore), approximately 1.5% of GDP.

### **Contemplation and Scope:**

The intention of the National food Security Bill is spelled out in the Lok Sabha committee report, The National Food Security Bill, 2011, Twenty Seventh Report, which states, “Food security means availability of sufficient food grains to meet the domestic demand as well as access, at the individual level, to adequate quantities of food at affordable prices, “The report adds, “The proposed legislation marks a paradigm shift in addressing the problem of food security – from the current welfare approach to a right based approach. About two thirds (approx 6%) of the population will be entitled to receive subsidized food grains under Targeted Public Distribution System. In a country where almost 40% of children are undernourished the importance of the scheme increases significantly,

“The Indian Ministry of Agriculture’s Commission on Agricultural costs and Prices (CAAP) has referred to the Bill as the “biggest ever experiment in the world for distributing highly subsidized food by any government through a “rights based’ approach. The Bill extends coverage of the Targeted Public Distribution System, India’s principal domestic food aid program, to two thirds of the population, or approximately 820 million people.

The agricultural sector of India, which witnessed a spectacular achievement in the production of food grains and other commodities over the last 50 years, is at the cross roads today. In an unprecedented manner, over 2.56 lakh farmers have committed suicides during the last one decade or so, citing poor remuneration from crop cultivation as the main reason. Indebtedness among the agricultural households is not only widespread but also increasing in the recent years. A nationwide survey carried out relatively recently underlined that close to 40 per cent of the farmer are willing to quit agriculture because of poor profitability from crop cultivation and compared to crop production cost. The farmers’ Commission of India has reported that the MSP should be at least 50 per cent of production (C2+50 per cent formula) and the young-farmers are not willing to take up agriculture as a profession because it is not profitable to them. Surprisingly, the adoption of new technology in agriculture has also slowed down substantially in the recent years. With all these discouraging signals, can we produce the required quantity of food grains to have complete food security in our country?

Though Indian agriculture has made record production of food grains that increased from 50.82 million tonnes (mt) in 1950-51 to over 242 mt in 2012-13, its demand has been continuously rising due to increase in consumers ‘income, population growth and for other reasons. A projection made by the National Commission on Integrated Water Resources Development (NCIWRD) indicates that the total demand for food grains would be about 316 million tonnes (mt) by 2025 and 441 mt by 2050. Given the severe agrarian crisis experienced over the last one decade in agriculture, there are apprehensions now

whether the production of food grains can be increased to meet the projected level of demand. On the one hand, the area allotted for food grain crop has been declining persistently in relation to gross cropped area, on the other hand, the growth rate in production and productivity of various food grain crops has decelerated during the last decade. Adding to this problem, now the paddy cultivating farmers from the state of Andhra Pradesh, which is the rice bowl of India, have declared themselves crop holiday for the kharif/season 2011-12 in an area of three lakh hectares. The crop holiday, which is never heard in the history of Indian agriculture, declared by the farmers neither belongs to rain fed areas nor the drought-prone regions but are from the districts of highly irrigated regions in Andhra Pradesh. The farmers leading the crop holiday campaign have also urged their peers in Punjab, Tamil Nadu and Karnataka to go on crop holiday so as to protest against the poor remuneration from paddy cultivation. Since the contribution of irrigated agriculture to the total production of food grains is large, this move can potentially harm the production of food grains that may lead to food security problems. Why do farmers suddenly declare crop holiday? Will crop holiday affect the production of food grains? What are the implications of crop holiday on food grains production? Do we have any other threats to the food grains production besides crop holiday? Utilizing the available secondary data pertaining to crop holiday and other related parameters, an attempt is made in this study to answer these questions as well as to decode the India's emerging food security concerns.

### **WHY CROP HOLIDAY?**

Before studying the possible impact of crop holiday on food grains production let us briefly understand why do farmers declare crop holiday? Although there are no systematic studies on crop holiday as such a number of newspaper articles written by various scholars have clearly pointed out that rising cost of cultivation and an unviable minimum support price (MSP) is more than any other reason a vital one in prompting the self-imposed stoppage of growing paddy. The Mohan Kanda Committee appointed by the Government of Andhra Pradesh (GOAP) to study the problem of crop holiday has also underlined that poor remuneration from crop cultivation, poor access to irrigation water through the existing canal system are the main reasons for announcing crop holiday by the farmer. Government of Andhra Pradesh, In the year 2014 It is to be remained that the states of Andhra Pradesh Rs 24500 cr, Telangana Rs 17000cr, in 2017 Uttar Pradesh, Maharastra, Punjab and Karanataka were announced farmer lone waivers, with estimated cost of about US\$ 13.6 billion, these were in fact the largest beneficiaries of the loan-waiver scheme of the Government of India. So, it begs the question as to why in spite of all these, the farmers reportedly seem to be saying that they can no more incur continuous losses and cannot also afford recurring effects of financial and crop losses for someone's welfare? The fertile and irrigated East Godavari and West Godavari districts of Andhra Pradesh actually had a bad time during the previous kharif ^Q^ season due to crop failure and government did announce a compensation of Rs. 1,800 per acre due to crop failure for that kharif season. This bumper crop turned into a problem as prices crashed due to imperfect market condition. The soaring prices of seeds, fertilizers and wage rates added fuel to the already existing problems. All this compelled the peasants to refrain from sowing paddy in kharif season 2011 as by spending Rs. 25,000 per acre, they seem to be getting barely Rs. 18,000, thereby making them unable to meet their expenses from the sale of their crop.

A large number of farmers' organizations that represented their view points to the Mohan Kanda Committee (Government of Andhra Pradesh, 2011) has also unequivocally pointed out that the poor

remuneration from paddy cultivation has only forced them to take this serious act of crop holiday. The farmers in A.P have reported that poor remuneration is the main reason for declaring crop holiday.

**CROP HOLIDAY VERSUS FOODGRAINS PRODUCTION**

Will the crop holiday affect food grains production and thereby food security? Paddy crop currently occupies one-quarter of the total cropped area and contributes close to 43 percent of total food grains production in India. Therefore, the crop holiday announced by the farmers would do obviously reduce the production of paddy and thereby the overall production of food grains. However, if the reduction in area under paddy or in any other food grain crops or in any other food grain crops is compensated by the rise in other food grain crops or increase in the productivity of food grains, then it will not have any severe impact on the gross production of food grains. Whether this is happening in food grain crops in India? Unfortunately, the trends in area, productivity and production of food grains appear to show that there is going to be a show down in the gross production of food grains including paddy in India (Table I)

**Table -1 Decadal Trends in Production and productivity of Food grains in India**

Period	Production (million tones)		Productivity (kg/ha)								
1	2	3	4	5	6	7	8	9	10	11	
1950-51 to 1960-61	66.67	27.04	8.60	20.66	10.67	616	847	739	481	481	
1960-61 to 1970-71	87.13	36.44	14.26	25.27	11.16	732	1010	971	552	484	
1970-71 to 1980-81	113.17	45.57	28.56	28.09	10.96	904	1172	1398	656	481	
1980-81 to 1990-91	149.26	61.09	45.70	30.11	12.35	1176	1492	1951	765	531	
1990-91 to 2000-01	189.30	80.54	64.44	31.11	13.22	1535	1856	2515	976	572	
2001-02 to 2010-11	213.34	89.75	74.56	35.10	13.94	1748	2069	2746	1226	596	
2010-11 to 2020-21	303.34	92.87	84.45	38.12	14.83	1865	3023	3212	1354	643	
Percentage range over a previous decade											
1960-61 to 1970-71	30.10	34.75	65.76	22.32	4.61	18.87	19.34	31.37	14.61	0.72	
1970-71 to 1980-81	129.89	25.05	100.25	11.16	-1.798	23.52	16.06	44.03	18.08	-0.71	

1980-81 to 1990-91	31.89	34.08	60.05	7.20	12.65	30.07	27.24	39.54	17.44	10.41
1990-91 to 2000-01	26.83	31.83	40.99	3.32	7.02	30.48	24.43	28.91	27.56	7.74
2000-01 to 2010-11	112.70	11.44	15.71	12.82	5044	13.94	11.47	9.19	25.57	4.13
2010-11 to 2020-21	156-64	13-23	16-87	13-76	6876	14-89	12-65	10-76	34-54	5-21

Source: Computed using data from Government of India (2011). Reserve Bank of India and [www.agricoop.in](http://www.agricoop.in).

Though the production of food grains touched a new peak of 305-44 million tonnes in 2020--21, the overall picture is depressing in both productivity and production of food grains. The average productivity of food grains increased from 1535 kg/ha during 1990s to 1748 kg/ha during 2000s, but the increase in terms of percentage has reduced to 13.90 per cent during 2000s as compared to its previous decade of 1990s where it increased over 30 per cent. Similarly, the increase in gross production of food grains has also decelerated to 12.70 per cent during 2000s as compared to its preceding decade where the increase was close to 27 per cent. This depressing trend observed in the total food grains is also seen in all the major food grain crops reported in Table 1.

Notably, the average incremental increase in production and productivity of food grains was the lowest during 2000s as compared to any other decade considered for the analysis. All these clearly show that the production of food grains has in fact decelerated substantially during 2000s over to its previous decade. Given this dismal trend, can we achieve the food grains production of 350 million tonnes needed for India by 2025? Can anyone simply ignore the crop holiday announced by Andhra Pradesh farmers? Going by the recent trends in food grains production, the newly emerging problem like crop holiday, etc, will certainly make a dent on the food grains production in the future if attempts are not made to resolve it.

**IS THE LAND USE PATTERN FAVOURABLE TO FOOD SECURITY?**

Crop holiday is an issue which emerged only very recently in Indian agriculture. There could be many other new issues besides crop holiday that can also hamper the food grains production. Changes in land use pattern, irrigated area and area allotted for different food grain crop are important factors expected to affect the production of food grains. Therefore, as mentioned earlier, one must study what kind of changes are taking place in these parameters using the national level data from 1950-51 to 2020-21. In first five years plan there were big contradict Mr. Jawaharlal Nehru vs. Sardar Vallabai patel, in the matter of giving priority to agriculture. In the context first Prime Minister, Jawaharlal Nehru said that let us produce in India, wheat in America that means we will give priority to industrialization not for agriculture. It means give importance to agriculture in first five years plan. Therefore, any reduction in these three parameters can potentially affect the food grains production and food security. The decade-wise trends presented in Table-3 show a dismal picture in NSA especially during the last decade of 2000s. The average JMSA of the country was about 142 mha during 1990, but it declined to about 140 mha during 2000s. Indicating a reduction of about two million hectares. This kind of sharp reduction in area under cultivation has not been seen during the earlier decades, which is a serious concern. The

trends in GCA and ASMT0 are also not very encouraging. Though there has been a consistent increase in both GCA and ASMT0 since 1950-51, the rate of increase of these two parameters has sharply decelerated during 2000s as compared to its previous decade of 1990s, but the same increased only at the rate of 1.82 per cent between 1990s and 2000s. This deceleration in NSA and GCA is expected to affect the food grains production in the future.

Apart from gloomy trends in GCA and NSA, the trends in total fallow lands (TFL) and area under irrigation also depict picture in the recent years. The average area under fallow land increased close to two million hectares during 2000s as compared to its previous decade of 1990, which is also the largest increase noticed in any of the decades we considered for the analysis. This sharp increase in

**Table-2 DECADAL TRENDS IN SELECTED CATEGORIES OF LAND USE IN INDIA**

		Area un Million Hectares (mha)					
Period (1)		NSA (2)	ASMT (3)	GCA (4)	NIA (5)	GIA (6)	Total Fallow (H)
1950-51 to 1960-61		127.57	16.90	144.48	22.50	25.34	25.05
1960-61 to 1970-71		137.25	21.47	158.72	27.13	32.16	22.55
1970-71 to 1980-81		140.29	28.35	168.64	34.76	43.45	23.74
1980-81 to 1990-91		140.83	36.80	177.63	42.93	55.78	25.03
1990-91 to 2000-01		142.26	45.07	187.33	53.27	71.97	24.09
2000-01 to 2010-11		140.26	50.49	190.75	59.64	82.76	26.03
2010-11 to 2020-21		156-54	53-54	198-87	76-44	98-72	32-01
Percentage change over previous decades							
1960-61 to 1970-71		7.56	27.01	9.86	20.57	26.92	-9.99
1970-71 to 1980-81		2.22	32.06	6.25	28.10	35.12	5.26
1980-81 to 1990-91		0.38	29.79	5.33	23.51	28.38	5.44
1990-91 to		1.02	22.48	5.46	24.01	29.01	-3.76



2000-01						
2000-01 to 2009-10	-1.41	12.02	1.82	11.97	14.99	7.97
2010-11 to 2020-21	1.44	13.-22	2.32	12.65	15.54	8.65

Source: Computed using data from Government of India (2011): Reserve Bank of India and [www.agricoop.nic.in](http://www.agricoop.nic.in).

Area under fallow lands during 2000s also reinforces the fact the farmers are in distress and they are not willing to cultivate the crops in their available lands. One must not forget that any increase in area under fallow lands can potentially affect the production of food grains. Irrigation coverage is proved to be a decisive factor in determining the production and productivity of crops. Therefore, any reduction in the coverage of irrigation especially under food grain crops can reduce the production of food grains. But unfortunately, the trends across different decades show a dismal picture in the area under irrigation too. One is not very clear whether the slowdown in irrigated area is taking place uniformly across different crops. However, this slow down certainly will have a significant impact on the production of food grains as the irrigated area is increasingly used for cultivating non-food grain crops due to economic reasons.

**DECLINING FOODGRAINS AREA**

Besides studying the selected categories of land use, a study also made to know the trends in area under major food grain crops in India so as to find out whether any serious threats are arising from it from the view point of food security. Reveals the net availability of food grains in India. The population is still rapidly growing but the last per capita availability of food grains has declined substantially during the last decade of reforms, and maximum decline has taken place during the last 5 years. Paddy, wheat, coarse cereals and pulses are the main contributors of food grains production of the country and therefore, these crops are considered for the analysis. As observed in the land use pattern, the data presented in Table 3 shows a clear decadal trend in almost all major food grain crops particularly during 2000s. This dismal trend is also seen among the two major food grain crops, paddy and wheat, as the incremental area under these two crops has consistently reduced over the last 40 years. The average increase in area under paddy between 1980s and 1990s was about 6.15 per cent, but it recorded negative growth during 2000s over the period of 1990s. Though the absolute area under wheat has been increasing over the years, its area too has decelerated substantially during the last three decades. In duct, the average increase of area under wheat between 1990s and 2000s 2as only 6.05 per cent, which is much less than the increase achieved (9.34) between 1980s and 1990s.

**Table – 3, Decadal Trends in Area under Food grains**

Period (1)	Area in Million Hectares (moa)				
Percentage Over its Previous Decade	FG area (2)	Paddy (3)	Wheat (4)	Coarse Cereals	Pulses (6)

				(5)	
1950-51 to 1960-61	108.24	31.81	11.59	42.73	22.10
1960-61 to 1970-71	118.76	36.02	14.39	45.31	23.04
1970-71 to 1980-81	124.98	38.78	20.30	43.14	22.76
1980-81 to 1990-91	126.90	40.84	23.38	39.46	23.23
1990-91 to 2000-01	123.38	43.35	25.56	31.96	22.49
2000-01 to 2010-11	121.86	43.34	27.11	28.69	22.72
2010-11 to 2020-21	122,67	45.44	26.34	27-87	23.34
Percentage Over its Previous Decade					
1960-61 to 1970-71	9.72	13.23	24.07	6.04	4.24
1970-71 to 1980-81	5.24	7.66	41.15	-4.80	-1.21
1980-81 to 1990-91	1.54	5.32	15.15	-8.53	2.04
1990-91to 2000-01	-2.77	6.15	9.34	18.99	-3.16
2000-01 to 2009-10	-1.24	-0.04	6.05	-10.24	1.02
2010-11 to 2020-21	-2.22	-0.22	5.08	09-56	1.01

Source: Computed using data from Government of India , Reserve Bank of India and [www.agricoo.nic.in](http://www.agricoo.nic.in)

Despite announcing higher minimum support price for pulse crops in recent years, one does not see any big leap in its area between 1990s and 2000s – area under pulses has been hovering around 22-23 mha during the last 50 years. 3 Because of reduction in area under major food grain crops, the gross area under food grains has reduced close to two million hectares between 1990s and 2000s, from 123.38 mha to 121.86 mha.

This substantial reduction in area under food grain crops is not an encouraging trend as far as the food security of the country is concerned. The gross cropped area of the country has increased close to 45 moa between 1950s and 2000s, which is very significant. One must find out as to how have this cropped area been utilized? If most of this area is used for cultivating food grain crops, the production of food grains would go up which would ultimately ease out the food security concerns. Is this happening? Data on the share of important food grains area to GCA reported in Table 4 shows a disappointing trend in all major crops except for wheat crop. While the share of paddy area to GCA has not changed much since 1950s, there has been a sharp decline in the share of coarse cereals and pulse crops.

**Table-4 Trends in share of Food grains area to gross cropped area**

Period (1)	Percentage to gross cropped area (GCA)				
	Food grains (2)	Paddy (3)	Wheat (4)	Coarse cereals (5)	Pulses (6)



1590-51 to	74.88	22.03	8.00	29.59	15.27
1960-61	74.82	22.69	9.05	28.55	14.53
1960-61 to	74.11	22.99	12.03	25.66	13.49
1970-71	71.46	22.99	13.17	22.24	13.07
1970-71 to	65.87	23.14	13.64	17.07	12.01
198.-81	63.90	22.73	14.21	15.05	11.91
1980-81 to	68.76	24.12	14.53	14.83	12.4
1990-91					
1990-91 to					
2000-01					
2000-01 to					
2010-11					
2010-11 to					
2020-21					

Source: Computed using data from Government of India (2001); Reserve Bank of India (2010) and [www.agricoop.nic.in](http://www.agricoop.nic.in).

The share of area under coarse cereals to GCA has declined from about 29 percent in 1950s to 15 percent in 2000s, while the same has declined from about 15 percent to about 11 per cent in pulse crops during this period. Among the various food grain crops considered for the analysis, what is the only crop where the share of area has increased sharply from 8 per cent in 1950s to 14.21 per cent in 2000s. However, this sharp increase in the share of wheat area could not help in improving the share of total food grains area to GCA, which has consistently declined from about 74% per cent in 1950s to about 63.90 per cent in 2000s. The reduction in food grains area both in absolute terms and in relation to GCA is serious issue concerning food security which the policy makers must take note of it.

**CHANGING AGRARIAN RELATIONSHIP IN RURAL INDIA:**

India has made a considerable progress in food grain production Green Revolution technology adopted regions produced impressive growth in agricultural output and while other states suffered stagnancy of poor growth. Indian agriculture has witnesses severe, deviations and variations over the last 5 decades. The food grains production despite major achievements in the initiatives adopted by the Governments was not adequate to “growing needs” of “growing population”, particularly from 1961 onwards. Further the investment in agri sector decreased and the situation was further worsened by signing WTO agreement on agriculture.

**AVAILABILITY OF LABOUR:** Shortage of labour is also a major issue in this area. In all the mandals put together, Kharif paddy is taken up in about 81,211 ha. During the transplantation period, within a short span of 15 days, large numbers of labour are required. During the earlier years, there was migration of labour from other districts like Srikakulam, Vizianagaram etc. In the recent years, however, this has reduced substantially on account of an increase in other opportunities like Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS), food for work etc. Normally, when faced with a labour shortage, and the Government of India MNREGS programme did not link to agriculture in throughout India so far. The present YSRCP Government in Andhra Pradesh requesting to link to

Agriculture with MNREGS programme, but the BGP Government did not accept so far, it's a long pending demand of Farmers of AP, and farmers switch to less labour intensive horticulture crops, especially Anantapuramu district of RayalaSeema region suitable for crops like Banana, Cheeni (Battai), Promogranite, Boppai, Mango and Grape these are maser commercial crops. This alternative, unfortunately, is not available in these regions, paddy is the only option. Shortage of labour has not yet been tackled by the modernization of mechanization in a sufficient scale in transplanting and harvesting. Transplanters and combined harvesters which are very popular in other parts of Andhra Pradesh are also not suitable for use in the heavy loamy and clay soils of this region.

### **STATES BYFERGATION AND DECLINING FOODGRAINS AREA:**

The present political system is willing to establish new States in India. It will create so many problems, especially utilization of lands for cultivation and production of food grains. In resent years were also bifurcate in to State of Telangana and State of Andhra Pradesh Act-2014, it will create New Capital problem for A.P, but the Govt of A.P has decided new capital Amaravathi located Vijayawada-Guntur (dts) soundings and it is located about one lack hectors (33,000 acars) directly and indirectly it is covered 30.000 acars, it has covered three mandals of Mangalagiry (Guntur dt) area but these total fertile lands and has given three crops per year, even though the Govt of Andhra Pradesh has decided to land acquisition from consent formers and given one G.O. for not cultivate for second crop. I observer that it will create real estate boom, simultaneously it is big blow for production of food grains and mitigate the total cultivation land.

### **THE WAY FORWARD:**

It is clear from the analysis presented in the paper that it is the low farm profitability which has led to the practice of crop holiday by the farmers in Andhra Pradesh. Recently some argued that “the crop holiday movement is essentially an attempt by the landowning classes and market intermediaries to discipline workers, tenants and the welfare state”. This appears to be an unrealistic argument as the evidence available from the field and from the macro-data on paddy cultivation does not support this. The crop holiday is clearly an economic issue, similar to the agrarian crisis which resulted in large farm suicides over a decade now (Narayana moorthy, 2006 a, b and 2007). Besides crop holiday, our analysis also shows sharp decelerating trends in cropped area (both NSA and GCA), area utilized for cultivating food grain crops and also in production and productivity of food grain crops during the last decade of 2000s as compared to its previous decade of 1990s. Therefore, ignoring the issues like crop holiday can create a total destruction impact on food grains – production in the future. We suggest below a few price and non-price measures which may be useful to solve this issue like crop holiday and also to improve the production of food grains and thereby food security. There is a common feeling among the farmers of Andhra Pradesh that the prices are not announced depending on the cost of production. The Confederation of Indian Farmers Association (CIFA) urges the Centre and the CACP to change the way is calculated, citing that it relies on three-year old data which is not sufficient to meet the fast rise in the cost of production. Moreover, the CACP also takes the average cost of production of various states for recommending minimum support price (MSP) for paddy and other crops, which invariably affects the stated that incur higher cost of production. The CIFA and the affected farmers demand that MSP should be announced in advance of the season and should be flexible so as to take into consideration subsequent and unforeseen changes in the cost of inputs like fertilizers, diesel, labour charges, etc, etc. The CIFA

also urges the government to follow the guidelines of the National Commission on Farmers October (2006) chaired by Prof M.S. Swami Nathan, who is a father of India's Green Revolution and passed away on September 28 2023, and in recent he got prestigious Bharat Ratna award by the Narendra Modi government in Feb 9 2024, The central government after pulling its in famous farm laws, said it accepted 200 out of the 201 recommendations made by the commission, including the demand on MSP and who had underlined in its fifth report that the cost of production was invariably higher than the MSP in the case of 12 crops including rice and wheat. The report stated, "It would be extremely unlikely that in the long run farmers would continue to cultivate those crops where the C2 costs (cultivation costs) are not covered". The report also highlighted that MSP should be regarded as the bottom line for procurement both by the government and private traders. If there persists a delay in fixing MSP at least 50 per cent more than the actual cost of production (cost C3) then there is likelihood of declining production with crop holiday on the rise. Therefore, the prices need to be fixed in accordance with the cost of cultivation and the guidelines suggested by the NCF so as to avoid this kind of problem in the future. A higher MSP alone may not help solving the problem in the long run, as the farm produce has to be competitive both in the domestic as well in the international markets. The real solution lies in reducing the cost of cultivation through systematic mechanization and using only the prudent mix of required level of inputs. Increased labour cost (wage rate) needed for paddy cultivation appears to be one of the prime reasons for steep rise in cost of cultivation in recent years. As per the data of cost of cultivation survey published by CACP, the share of labour cost in the total cost of cultivation (cost A2) has increased from 35 per cent in 1980-81 to 62 per cent in 2008-09 in paddy cultivation in Andhra Pradesh. Many argue that the introduction of MGNREGS has not only increased the wage rate in agriculture but also deteriorated the quality of labour. If this is true, one must find out ways and means to restructure the employment programme currently in operation, without affecting the agriculture. If it is possible to link with Agriculture by MGNREGS programme in through out India by the way of funds spend to be shared by the Central Government and the concerned State Government on a 50:50 basis for the purpose of mitigate farmers production expenditure for all crops.

In order to save the farmers from the state of huge losses, there is a need to link the MSP with the wholesale price index (WPI). However, the WPI should not be taken as the only basis for determining MSP. There is a need to periodically review and revise the list of indicators for determining MSP so as to give the farmers the remunerative prices of their produce. Improper or volatile market condition is also reported as one of the reasons for crop holiday. Therefore, the market intervention scheme (MIS) is to be implemented so as to protect the farmers from making distress sale in the event of bumper crop when the prices tend to fall below the economic cost of production. Losses, if any, incurred by the procuring agencies are to be shared by the Central Government and the concerned State Government on a 50:50 basis.

Efforts are also needed to reduce the cost of cultivation through increased public investment and surface irrigation development; both are increased at a desired level during the last two decades. Effective regulations also need to be brought in to control both input and output markets where farmers are exploited very carefully to do what is right. Farmers' market (Rythu bazaar) and farmers' involved regulated markets (FIRM) need to be promoted to increase the remuneration of the farmers. The protest of crop holiday is a wake-up call for the government – the very same government which intervenes immediately if there is any small change in the share market, but does not care about the vast market fluctuations disfavours the farming community. While on the one hand the government plans to

increase the farm production to meet the obligations under the proposed Bill on Food Security which stands at around 65 to 70 million tones, on the other hand, the crop Satyagraha by the paddy farmers of Andhra Pradesh has started spreading to sugarcane farmers too now. The technology will apply for build either new state capitals or provide infrastructure for that purpose. Therefore, the policy makers of the country must recognize the fact that it is impossible to achieve complete food security without providing security to its own farmers in the form of better remuneration. Finally we can conclude that by adopting some of the above said suggestions we can see happiness in the faces of the farmers and there will be sufficient production of food grains in India especially in Andhra Pradesh.

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