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Secondary Agriculture in India: Prospects and Challenges

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Agriculture is one of the largest and most important sector in Indian economy. India's Agriculture and allied sectors contributes to 19 per cent in total GVA. India's 54 per cent of net sown area is rainfed and farmers are gainfully employed in the primary activity of farming only for about 180 days. Since land cannot be expanded, farmers can add to their income by increasing the “vertical elasticity”. (ICAR 2022). Secondary agriculture includes all activities that add value to farm produce like cleaning, sorting, grading, drying, preserving, packing and storing of agri-produce to make it saleable. It also includes farm diversification including bee keeping, mushroom cultivation, backyard poultry, dairying, sheep rearing and vermi-composting in short, activities that do not compete with time, land, labour and other resources of primary agriculture activities, but only makes use of spare time of the family also qualify as secondary agriculture.

Concept of Secondary Agriculture

The term ‘Secondary Agriculture’ is a new concept emerged out of the past developments; its scope is defined differently in different countries,

- In the **United States**, the types of operations in “Primary” and “Secondary” agriculture are categorized. **Primary agriculture** refers to cultivation and tilling of soil, and growing and harvesting any agricultural commodity. And **Secondary agriculture** includes assembling, ripening, cleaning, grading, sorting, drying, preserving, packing and storing fruits and vegetables, but doesnot include processing of fruits and vegetables from their natural state.
- In the **EU**, the term secondary agriculture is not used and the EU economic accounts for agriculture (EEAA) include the related service activities as part of the agricultural sector.
- In India, ‘secondary agriculture’ is not clearly defined. The Planning Commission of India had constituted a **Technical Advisory Committee on Secondary Agriculture (TACSA)** in 2007. The TACSA submitted its report in October 2008, but did not define the term ‘secondary agriculture’. Instead it states that the term “is very broad as it includes all food and non-food bio-resource-based products for human and industrial use”.

According to **DFI Committee** Secondary agriculture is defined as a productive activity at enterprise level that, Utilizes primary product and by-products of agriculture and other biological resources available locally in its rural agrarian neighborhood as a raw material Deploys locally available skills or a high level of rural manpower, to operate/manage/ maintain the production of goods and services Can be categorized appropriately under the Micro, Small or Medium Enterprises Development (MSMED) Act 2006

Examples explaining inclusions and exclusions of secondary agriculture

1) **Cotton ginning unit**- to separate lint and seed from locally grown cotton, using local human resources and within norms for capital investment under MSME rules would be qualified as secondary agriculture. However, a cotton textile factory, sourcing its raw

material across borders and with high capital investment may not be qualified as secondary agriculture.

2) **Jaggery making unit**- in the sugarcane growing area would be secondary agriculture, but not a processing unit that procures cane molasses from other regions.

3) **Cottage scale unit**- employing local labour at a village, to produce jams, pickles, chips, khadi products, etc., would be secondary agriculture, but not an automated aseptic pulping and juicing factory that sources tomatoes puree from other countries, or other locations within the country.

4) **Cashew processing unit**- that shells and packages cashew from its neighborhood growers, but not a similar unit if raw cashew is sourced from foreign growers.

5) **Milk pooling and chilling unit**- in a village would be secondary agriculture, but not a milk processing factory that sourced from thousands of such pooling units operated by a dairy cooperative.

6) **Cottage scale naturopathy or ayurvedic unit** would be secondary agriculture, but not if it is of industrial scale producing ayurvedic products using automatic lines.

Characteristics of secondary agriculture

i. Uses slack / idle resources viz., land and labour (manpower time)

Eg: Dairy farming in existing farm land

ii. Contributes to primary agriculture production system

Eg: Vermicompost used as a fertilizer to field

iii. Secondary Agriculture activities essentially should generate income

Eg: Value addition (jam/jelly/pickle making)

Objectives of Secondary Agriculture

1. To increase the farmers income and efficiency of primary product and by-products of agriculture.
2. To promote agriculture/ rural and cottage industries and usage of low capital and technology.
3. To acts as a bridge for employment and income generation through agriculture and allied activities.
4. To work towards creation of various sources of income to farm household thereby overcoming the problems of agriculture.

Government Initiatives to Promote Secondary Agriculture

- Technical Advisory Committee on Secondary Agriculture proposed a sum of \$2 Billion as a Secondary Agriculture Improvement Fund (SAIF). This is to be treated as venture capital and handled by autonomous special purpose vehicle called Secondary Agriculture Innovation Fund Ltd.
- TASCA developed a website secondaryagriculture.org which provides commodity wise and market wise information on secondary agriculture products.
- Central government announced strategy of 'Doubling farmer's income' as a direct measure to promote farmers' welfare- considers secondary agriculture as one of the main component in doubling the farmers income.

Schemes of India that are restructured for emphasizing secondary agriculture as a major component

1. Pradhan Mantri Fasal BimaYojna (PMFBY)
2. Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
3. Rashtriya Krishi Vikas Yojana (RKVY)
4. Market Intervention Scheme (MIS) and Price Support Scheme(PSS)
5. National Project on Organic Farming and Paramparagat Krishi Vikas Yojana
6. National Project On Soil Health and Fertility
7. Pandit Deendayal Upadhyay Unnat Krishi Shiksha Scheme

8. National Project on Agro-forestry
9. National Mission on Horticulture
10. National Skill Development Mission (NSDM)
11. National Apprenticeship Promotion Scheme (NAPS)
12. Deendayal Upadhyay Swani yojan Yojana (DUSY)
13. Inspire (Innovation in Science Pursuit for Inspired Research Program)
14. Deendayal Upadhyay Grameen Kaushal Yojana (DUGKY)
15. Small Farmers' Agri-Business Consortium (SFAC)
16. MSME Market Development Assistance

Challenges in Secondary Agriculture

1. Inadequate infrastructure facilities
2. Poor use of technology and modern science
3. Insufficient access to knowledge, information and education
4. Inadequate supply of raw material
5. Inadequate access to financial services
6. Climate change
7. Limited access to markets & Poor market linkages.

Role of Extension in Secondary Agriculture

1. **Training and capacity building:** Extension services provide training programs and workshops to farmers on various aspects of secondary agriculture such as crop management, pest and disease control, post-harvest handling, and value addition.
2. **Technology dissemination:** Extension services facilitate the transfer of new technologies and innovations to farmers, helping them adopt modern practices and tools to enhance productivity.
3. **Market linkages:** Extension services assist farmers in accessing markets for their secondary agricultural products by providing information on market trends, prices, and opportunities.
4. **Advisory services:** Extension agents provide personalized advice and guidance to farmers on a range of issues related to secondary agriculture, including soil health, water management, crop selection, and pest control.

Conclusion

The secondary agriculture is considered as the sunrise sector of Indian economy. Though it has been evolved from past experiences to add value to agriculture commodities and enhance the farmers income. The major prospects include utilization of farm wastes for bioprocessing, meets the demand of changing consumption pattern, provides export opportunities for value added products, promotes agro tourism and rural entrepreneurship development. However, there are challenges such as inadequate infrastructure facilities, poor use of technology and modern science, climate change, limited access to markets and poor market linkages. Secondary agriculture has a great potential to drive the growth of primary agricultural sector in the country, creating facilities for value addition to basic agro- commodities, allowing farmer to get two- four times higher income from their harvest.

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