

Farm incomes have surged: NABARD

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The income of agricultural households, which account for nearly half of rural households in the country, surged to ₹1,07,172 in 2015-16, growing at a compounded annual growth rate (CAGR) of 12 per cent from 2012-13, according to a survey carried out by the National Bank for Agricultural & Rural Development (NABARD).

While the average annual income levels of non-agricultural households in 2015-16 were ₹87,228, all households (agricultural as well as non-agricultural) reported an average annual income of ₹96,708, it said. This was 39 per cent more than the ₹77,112 per annum reported during the National Sample Survey Organisation (NSSO) assessment in 2012-13, said NABARD Chairman Harsh Kumar Bhanwala here on Thursday.

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Farm incomes will increase further if the value chain is developed, says the NABARD survey

Inclusion Survey, which is to be conducted every three years, data from as many as 40,327 rural households, with a total population of 1,87,518 members across in 245 districts in 29 States was used, he said.

The survey report was released by NITI Aayog Vice-Chairman Rajiv Kumar. The increase in income of agriculture households despite a

decrease in average landholding is significant, as it underlines the decrease in absolute poverty, said Kumar. The farm income will further increase if the value chain is developed and marketing facilities are provided at the farm gate, he added. According to the survey, the average land parcel available to small and marginal farmers came down to 1.1 hectares (ha) from 1.16 ha during the 2012-13 NSSO survey.

The income levels of 19 of the 29 States are above the all-India average, and 15 States recorded a CAGR of 10.5 per cent between 2012-13 and 2015-16, the survey indicated.

According to Bhanwala, NABARD decided to carry out such surveys every three years as similar surveys like the NSSO Situation Assessment Survey of Agricultural Households are conducted only every 10 years. "This is because by the time such reports (such as NSSO surveys) come out, the situ-

ation would have dramatically changed," Bhanwala said.

According to the survey, 35 per cent of income of agricultural households was from cultivation, 34 per cent from wage labour, 16 per cent from salaries and 8 per cent from livestock. In the case of non-agricultural households 54 per cent came from wages, followed by salaries (32 per cent) and non-farm sector activities (12 per cent). Agricultural households earned 23 per cent more than non-agricultural households, it reported. Significantly, the income from agricultural activities came down substantially from 48 per cent recorded during the NSSO survey.

On average, agricultural households had an outstanding debt of ₹1,04,602, and non-agricultural households ₹76,731. Incidence of indebtedness was 52.5 per cent for agricultural households and 42.8 per cent for non-agricultural households.