

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3903
ANSWERED ON:13.12.2002
IMPACT OF ECONOMIC REFORMS
PRABHUNATH SINGH

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) the effect of Government economic reforms programme on agriculture and rural economy;
- (b) whether the said programme has reformed the economy;
- (c) if so, whether the said programme has generated the employment resources;
- (d) if so, the details thereof; and
- (e) the number of farmers benefited by it ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V.ADSUL)

(a) to (e) : A number of reform measures focussing particularly on griculture and rural economy have been undertaken as part of second generation reforms. The most important measure taken this year was to ensure that the entire country is one single market for the farm producer through the removal of controls on movement and stocking of principal crop products such as rice, wheat, coarse grains, sugar, edible oil and oilseeds. Some of the other recent reform measures are:

- to encourage value addition and prevent wastage of perishable products, the Government announced the policy for subsidizing part of interest on loans for creation of storage capacity;
- forward trading is now allowed in 42 products, even though many exchanges for this have yet to become operational;
- quantitative restrictions were removed for export of many agri products, except onion, niger seeds and jute;
- 51 items were dereserved from the SSI sector as part of reform measures during the current year;
- out of 32 Agricultural Export Zones (AEZs) sanctioned in 15 states, 28 have been operationlised so far.

For employment generation in rural areas the most prominent schemes are: Swarnjayanti Gram Swarozgar Yojana (SGSY), Sampoorna Grameen Rozgar Yojana (SGRY) and Pradhan Mantri Gram Sadak Yojana (PMGSY).

It is too early to quantify or assess qualitatively the benefits of the reform measures and employment generation schemes.