

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2866
ANSWERED ON:19.03.2007
AGRICULTURAL RENEWAL SCHEME
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farm sector, which provides livelihood for 115 million families, is reportedly in distress;
- (b) if so, the details thereof;
- (c) whether the Government has provided strategy for Agricultural Renewal Scheme; and
- (d) if so, the details thereof and the achievements made thereunder?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a) to (d): Agriculture sector in the country has experienced deceleration in growth during the 9th and 10th plan which has remained around 2% per annum. The major challenges faced by the sector include stagnant productivity, low investment, deteriorating profitability and lack of adequate infrastructure facilities. National Agriculture Policy was formulated in the year 2000 to achieve sustainable growth in agriculture sector with equity. The Government has taken a number of initiatives to improve the agriculture sector and the economic condition of the farmers. These, inter-alia, include the announcement of a credit policy in the year 2004 to double the flow credit to the agriculture sector in three years. From Kharif 2006-07, farmers are being provided crop loans up to Rs.3 lakhs at 7% rate of interest. The Government has also announced a package for revival of cooperative credit structure. A major effort has been initiated for diversification of agriculture. Nation Horticulture Mission has been launched since the year 2005 for ensuring end-to-end approach with backward and forward linkages covering research, post harvest management, processing and marketing. A Special programme for horticulture development is also implemented in North-Eastern States. Other initiatives taken by Government include expanding the area under irrigation, improved water management with watershed development and rain water harvesting and establishment of National Rain-fed Area Authority.