

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:364

ANSWERED ON:19.11.2007

AGRICULTURAL POLICIES

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**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the policies adopted by the Union Government have adversely affected farmers in the rural areas and consumers in urban centers;
- (b) if so, the details thereof and the response of the Government thereon;
- (c) the measures taken by the Government to make agricultural policies farmer friendly;
- (d) whether the Government has recently banned the export of non-basmati rice which would badly hurt growers;
- (e) if so, the reasons therefor; and
- (f) the corrective steps taken by the Government in this regard?

**Answer**

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

(a) to (c): The average annual growth during the 9th Plan and the first three years of the 10th Plan was about 2.0 per cent (1999-2000 prices) as against the annual target growth of 4.0 percent. The shortfall in achieving the targeted growth was mainly attributed to lack of adequate public sector investment in agriculture and periodic failures of monsoon in the intervening period of Tenth Plan. However, the average growth rate realized during the last two years has been more than 4 per cent. Thus the agriculture sector has shown positive signs of revival. In order to sustain this and revitalize agriculture sector, Government of India have taken following measures:

# Accelerating the production and productivity of major food crops on regionally differentiated basis.

# Development of rainfed and dry land areas through farming, livelihood systems on watershed approach

# Revamping of extension system to improve delivery mechanism at the grass root level.

# Incentivise the State Governments to invest more in agriculture and allied sector. In this direction the Department has recently taken the following initiatives:

(i) Government of India has launched two new Schemes at the National level namely, National Food Security Mission to ensure adequate availability of foodgrains in the country and Rashtriya Krishi Vikas Yojna with an objective to incentivise the states so as to increase public investment in Agriculture and allied sectors and to provide flexibility and autonomy to states in the process of planning and executing Agriculture and allied sector schemes.

(ii) Government of India has set up National Rainfed Area Authority, National Bamboo Mission and National Fisheries Development Board.

Besides, a number of Plan Schemes/programmes are being implemented which include revitalization of the agricultural extension services, marketing reforms, horticulture development, Macro Management schemes providing adequate flexibility to the States for implementing suitable schemes/projects, revitalization of cooperative sector and provision of adequate credit.

In order to maintain a balance between the interests of producers(farmers) and consumers, the Government of India announces every year Minimum Support Price for major agricultural produces and also intervenes in case the price falls below the Minimum Support Price to protect the interest of farmers. Similarly, in the event of shortage, the Government ensures adequate supply by resorting to import to protect the interest of the consumers.

(d) to (f): The ban on export of non-basmati rice was imposed keeping in view the public interest. However, as per Notification dated 31.10.2007 of Department of Commerce, the export of non-basmati rice at Minimum Export Price (MEP) at US\$ 425 per ton FOB has been allowed. The above MEP shall not be applicable to:

i) Exports of non-basmati rice for which letter of credit has been opened till 09.10.2007; and

ii) Rice brought into the port godowns for export till 10.10.2007, as certified by port authorities.