

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2379

ANSWERED ON:17.03.2008

AGRICULTURAL SERVICE CENTRES

Barad Shri Jashubhai Dhanabhai;Reddy Shri Karunakara G.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to have Foreign Direct Investment (FDI) to the extent of 51 per cent in agri-business;
- (b) if so, the details thereof and action taken thereon;
- (c) whether Agricultural Service Centres have been set up in the country;
- (d) if so, the details thereof, State-wise particularly in Karnataka; and
- (e) the details of the funds earmarked for this purpose during the Tenth and Eleventh Five Year Plan?

Answer

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

(a)&(b): The activities under Agriculture Sector where FDI has been permitted up to 100% under the automatic route are `Floriculture, Horticulture, Development of Seeds,Animal Husbandry,Pisciculture, Aqua-culture and Cultivation of Vegetables & Mushrooms under controlled conditions and services related to agro and allied sectors,since January, 2006.

Tea Plantation was opened for FDI in 2002. FDI up to 100% with prior Government approval is permitted in Tea plantation subject to the conditions of divestment of 26% equity of the company in favour of an Indian partner/Indian public within a period of five years; and prior approval of the State Government concerned in case of any future land use change.

Besides the above, FDI is not allowed in any other agricultural sector/activity.

(c)to(e): The Department of Agriculture & Cooperation (DAC) is not implementing any scheme with the title `Agriculture Service Centres`.

The DAC is,however,implementing a scheme with the title `Agri-Clinics & Agri-Business Centres (ACABCs)`.Training and handholding supports are provided to agriculture graduates selected for coverage under the scheme.

The State-wise agri-ventures established in the country is enclosed at Annexure-1.In Karnataka, 642 agri-ventures have been established as on 12.3.2008. There is no state-wise allocation of funds under ACABCs scheme.However, during Tenth Five Year Plan Rs. 49.50 crore was allocated to ACABCs Scheme.It is proposed to allocate Rs. 187.13 crore to ACABCs Scheme during Eleventh Five Year Plan.