

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:166
ANSWERED ON:09.11.2010
PROBLEMS FACED BY AGRICULTURE SECTOR
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the agriculture sector in the country is plagued by problems like floods, drought, adverse conditions, declining water level and loans at higher rates of interest;
- (b) if so, the details thereof;
- (c) whether the Government is formulating any scheme to provide assistance to the farmers to overcome such problems;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) to (e): In view of its geographical location and agro-climatic conditions, natural calamities occur in some part or the other every year, causing loss of life and damage to property and infrastructure. While Ministry of Agriculture is the nodal Ministry for coordination of relief measures necessitated by drought, hailstorm and pest attacks, Ministry of Home Affairs is responsible for other natural calamities.

The primary responsibility for dealing with natural calamities is that of the State Governments concerned who have ready availability of funds under State Disaster Response Fund (SDRF) to which the Government of India and State Governments concerned contribute, as prescribed by 13th Finance Commission. Additional assistance is considered from National Disaster Response Fund (NDRF) for natural calamities of severe nature in accordance with an established procedure and on submission of Memorandum by the affected State. Also, there are norms of expenditure for assistance from SDRF and NDRF. In addition, various ongoing schemes and programmes under Central Ministries/Departments address the issue of mitigation of impact of natural calamities.

As regards loans, Government has enhanced subvention for timely repayment of crop loans from 1% to 2% for the year 2010-11. Thus, the effective rate of interest for such farmers who repay their loan in time will be 5% p.a. Also, in view of the recent drought in some States and severe floods in some other parts of the country, the period for repayment of the loan amount by farmers was extended by six months from 31-12-2009 to 30-06-2010 under the Debt Waiver and Debt Relief Scheme for Farmers.