

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1580

ANSWERED ON:21.08.2012

COST OF AGRICULTURAL INPUTS

Botcha Lakshmi Smt. Jhansi;Jawale Shri Haribhau Madhav;Joshi Dr. Murli Manohar;Rani Killi Krupa;Roy Shri Arjun;Yadav Shri Dinesh Chandra

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the farmers in the country are losing interest in farming on account of the steep rise in the cost of agricultural inputs and implementation of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS);
- (b) if so, the details thereof along with the impact of increasing rate of food inflation on agricultural input cost;
- (c) the details of input subsidies provided by the Union Government to the States including Andhra Pradesh during the last three years and the current year; and
- (d) the steps being taken by the Union Government to bring down the input cost?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) & (b): Some studies show that Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has put an upward pressure on general wage level in rural areas. At the same time, MGNREGA has made positive impact on agriculture by improving the productive capacity of land and improved access of farmers to markets. It may be added that the total number of cultivators and agricultural labourers has been increasing since 1951. Similarly, the total cropped area has also been increasing.

While food inflation itself is partly impacted by agriculture input cost, high inflation influence wages, output prices etc.

(c): Department of Agriculture & Cooperation releases funds to the state Governments under various schemes being implemented by the Department as grants in aid. State Governments disburse funds as subsidy to beneficiaries as per guidelines of the schemes. Details of funds provided by the Department under various plan schemes being implemented by Department to different states including Andhra Pradesh during 2009-10 to 2012-13 is as under:

(Rs. in crore)

Year	Release
2009-10	10870.15
2010-11	17052.59
2011-12	16354.66
2012-13#	7355.41

up to 13.08.2012

(d): Government promotes various technologies and agronomic practices like Integrated Pest Management, Integrated Nutrient Management, Mechanisation, water conservation, etc. to improve agricultural production and productivity and thereby bring down the cost of cultivation. Moreover, Government also improves the economic viability of farming through assistance to farmers under several programmes such as National Horticulture Mission, National Food Security Mission and Rashtriya Krishi Vikas Yojana.