

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:291

ANSWERED ON:06.08.2013

GROWTH RATE OF AGRICULTURE

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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the growth rate of agriculture and the performance/contribution of the agriculture sector to the Gross Domestic Product (GDP) is continuously showing declining trends over the years;
- (b) if so, the details thereof and the reasons therefor;
- (c) the percentage of growth rate of agriculture reported during each of the three years and the current year, State-wise;
- (d) whether changes in the Agricultural Produce Marketing Committee (APMC) Act and public-private partnership in agriculture sector are likely to be helpful in the integrated development of the agriculture sector; and
- (e) if so, the details thereof and the steps being taken in this regard along with the steps being taken to increase the growth rate of agriculture and boost farm production in terms of its contribution to the GDP?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) to (c): As per the First Revised Estimates released by the Central Statistics Office (CSO) on 31st January, 2013, agriculture sector (agriculture including livestock, forestry & fishing) registered a growth rate of 0.8% in 2009-10, 7.9 % in 2010-11 and 3.6% in 2011-12 at 2004-05 prices. Similarly, the performance/ contribution of the agriculture sector to the Gross Domestic Product (GDP) of the country at 2004-05 prices declined from 14.6 % in 2009-10 to 14.5 % in 2010-11 and further to 14.1 % in 2011-12. Further, as per the Provisional Estimates released by CSO on 31st May, 2013 this sector is estimated to grow at 1.9% in 2012-13 at 2004-05 prices and the contribution of agriculture to the GDP is likely to decline to 13.7 % in 2012-13. The decline in growth rate and contribution of agriculture to GDP is on account of structural changes due to a shift from a traditional agrarian economy to a service dominated one. This phenomenon is generally expected in the normal development of an economy. State-wise percentage of growth rate of agriculture reported during 2008-09, 2009-10, 2010-11 and 2011-12 is at annexure.

(d) & (e): Agriculture Marketing is a State subject and States have enacted legislations for regulation of wholesale marketing in their respective states. In order to bring reforms in agricultural marketing, the Ministry framed a model APMC Act in 2003 and circulated to States/ UTs for adoption. Government has also been pursuing with the States/UTs to undertake amendments to their APMC Acts to inter alia provide for direct marketing, contract farming, farmers/ consumers markets, setting up of markets in private/cooperative sector and e-trading so as to provide alternative competitive marketing channels to farmers and bring in more transparency in the marketing system. Overall, these initiatives have been successful in ensuring a better deal for farmers as witnessed by rising production levels, yields and incomes.

Further, Government has launched several schemes to increase the growth rate of agriculture and boost farm production in terms of its contribution to the GDP such as Rashtriya Krishi Vikas Yojana (RKVY), National Food Security Mission (NFSM), Development and Strengthening of Infrastructure facilities for Production and Distribution of Quality Seed, National Horticulture Mission(NHM), Rainfed Area Development Programme (RADP), Integrated Scheme of Oilseeds, Pulses, Oil Palm and Maize (ISOPOM), Gramin Bhandaran Yojana etc. In addition, Government has substantially improved the availability of farm credit; implemented a massive programme of debt waiver; introduced better crop insurance schemes; increased Minimum Support Price (MSP), improved marketing infrastructure, etc.