

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2404
ANSWERED ON:05.02.2014
AGRICULTURE AS AN INDUSTRY
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Will the Minister of PLANNING be pleased to state:

- (a) whether Planning Commission proposes to accord the status of industry to agriculture sector;
- (b) if so, the details thereof;
- (c) whether some States have taken initiatives in this regard;
- (d) if so, the details thereof, State-wise, and
- (e) the plan of action proposed by the Government in view of the constant decline in the agriculture sector?

Answer

MINISTER OF STATE FOR PARLIAMENTARY AFFAIRS AND PLANNING (SHRI RAJEEV SHUKLA)

(a)&(b): No such proposal is under consideration in Planning Commission at present.

(c)&(d): Information furnished by States, namely, Bihar, Chhattisgarh, Karnataka, Maharashtra and Uttar Pradesh is given at Annexure-I. The information from remaining States is being collected.

(e): The agriculture sector achieved an average 3.7% annual growth in the Gross Domestic Product (GDP) of Agriculture and Allied Sectors during the Eleventh Five Year Plan as presented below:

Year	GDP from Agriculture & Allied (Rs. crore)	Percent growth over previous year
11th Plan		
2007-08	655080	5.8
2008-09	655689	0.1
2009-10	660987	0.8
2010-11	713477	7.9
2011-12	739495	3.6
Average 11th Plan		3.7

Source: Press Release dated 31st May 2013 NAS 2013 of Central Statistics Office, New Delhi

In order to make the agriculture sector more vibrant and dynamic Government is providing several facilities to the Agriculture Sector such as tax exemption on Agricultural income, interest subvention on Agricultural credit, ensuring higher Agricultural credit through priority sector lending and input subsidization etc. For the 12th Plan a growth target of 4% has been set for the agriculture sector. For the overall development of the agriculture sector Planning Commission has identified the following as key drivers of growth:

viability of farm enterprise and returns to investment that depend on scale, market access, prices and risk;

availability and dissemination of appropriate technologies that depend on quality of research and extent of skill development;

plan expenditure on agriculture and in infrastructure which together with policy must aim to improve functioning of markets and more efficient use of natural resources; and

cgovernance in terms of institutions that make possible better delivery of services like credit, animal health and of quality inputs like seeds, fertilizers, pesticides and farm machinery.

As a follow up on the above strategy the Centre has more than doubled its plan expenditure on agriculture and allied sectors during XII Plan. The allocation for RKVY has been increased to Rs. 63,246 crore for XII Plan from actual expenditure of Rs 22,426 crore during XI Plan. The XII Plan Gross Budgetary Support (GBS) for all other schemes of the Ministry of Agriculture is Rs.1,11,232 crore against actual expenditure of Rs 53,171 crore during XI Plan.