

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:378
ANSWERED ON:25.11.2014
BUDGET FOR AGRICULTURE
Shetti Shri Raju alias Devappa Anna

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to prepare a separate budget for agriculture;
- (b) if so, the details thereof;
- (c) whether the Government proposes to intensify the growth rate of agriculture sector and to accord the status of industry to agriculture in order to attract investment in this sector; and
- (d) if so, the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (DR. SANJEEV KUMAR BALYAN)

- (a) & (b): No, Madam. A separate Agricultural Budget does not seem to be feasible in view of the inter-sectoral linkages of agriculture, cutting across various Ministries/Departments of Government of India. As per existing Constitutional and Parliamentary arrangement, General Budget provides adequately for requirements of the agriculture sector.
- (c) & (d): A target of 4% growth in Agriculture has been envisaged during 12th Plan period. During the year 2013-14, agriculture sector registered a growth rate of 4.7%.

Government is implementing many programmes for raising investments in agriculture. Notable among them are Rashtriya Krishi Vikas Yojana (RKVY), National Food Security Mission (NFSM), Mission for Integrated Development of Horticulture (MIDH), Gramin Bhandaran Yojana, Integrated Scheme of Oilseeds, Oil palm, Pulses and Maize (ISOPOM) etc. In addition, Government has issued a framework for Public Private Partnership for Integrated Agriculture Development (PPPIAD) for using Rashtriya Krishi Vikas Yojana (RKVY) allocations for bringing greater association of private sector in agricultural development projects in the States.

Agriculture sector has been identified by Government as priority lending sector, which constitutes at least 18% of the total loan portfolio of the banks. Crop loans are provided to farmers at a concessional rate of 7% per annum with 3% interest subvention for timely repayment. Post harvest loan is also available to farmers on the basis of negotiable warehouse receipts for a period of six months on the same terms so as to prevent distress sales. Thus, crop loans are available to farmers at more favourable terms than loans available to the industries sector. However, loans for post harvest management activities including marketing, processing etc. are available on rates decided by the banks concerned.

Government has also taken several fiscal incentive measures such as tax deduction, waiver/reduction of Excise Duty, reduction of Custom Duty on specific food items etc. with a view to encouraging the growth of food processing industries. Agricultural & Processed Food Products Exports Development Authority (APEDA) is also implementing various schemes for promotion of export of agricultural and processed food products.