

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1556
ANSWERED ON:14.03.2005
DECREASING OF GROWTH RATE IN FARM SECTOR
Purandeswari Smt. Daggubati

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the annual growth rate in the farm sector has been low during the current year;
- (b) if so, the details thereof and the reasons therefore; and
- (c) the steps proposed to be taken to improve the same so as to attain eight percent growth in GDP?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): Yes, Sir.

(b): As per the National Accounts Statistics compiled by Central Statistical Organization (CSO), the annual growth rate in the farm sector (agriculture including allied sectors of forestry & logging and fishing) is estimated at a modest rate of 1.1% in the current year 2004-05 while it was 9.6% in the year 2003-04. Deficient rainfall from the South-west monsoon in 2004 coupled with the high base in 2003-04 has contributed to the modest growth of Gross Domestic Product in agriculture in 2004-05.

(c): With a view to increasing agricultural production, the Government have identified thrust areas for focused and priority attention, which include agricultural credit, irrigation, horticulture, crop diversification and marketing reforms. The Union Budget for 2005-06 has underscored the importance of efforts aimed at turning the focus of commercial banks, regional rural banks and cooperative banks towards providing credit, especially production credit, to farm households. The other areas highlighted in the Budget include micro irrigation technology comprising drip and sprinkler irrigation, National Horticulture Mission with focus on backward and forward linkages, and development/strengthening of agricultural marketing infrastructure, grading and standardization.