

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1780
ANSWERED ON:05.12.2005
INVESTMENT IN AGRICULTURE
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Will the Minister of AGRICULTURE be pleased to state:

- (a) whether investment in agriculture has gone down and the land resources for agriculture have come under strain over the years;
- (b) the extent to which investment in agriculture and credit facilities for the farmers, have fallen short of requirement during each of the last three years and how far the land for agriculture has squeezed in these years in the country, State-wise;
- (c) the steps taken during 2004-05 and this year to make good these resources; and
- (d) the further steps being taken to improve investment and credit facilities for agriculture?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a): According to statistics of gross capital formation compiled by Central Statistical Organisation (CSO), the total investment in agriculture including allied sectors of forestry, logging and fishing, measured in terms of gross capital formation (GCF) increased in real terms (at 1993-94 prices) from Rs 15,249 crore in 1993-94 to Rs.24,186 crore in 2003-04. The agriculture land which is a major component of land resources fluctuated around 183 million hectares from 1994-95 onwards.

(b): The position of total investment in terms of GCF in agriculture and credit facilities extended to farmers in the last three years is given below:

Trends in Investment (Gross Capital Formation) and Credit Facilities
Year GCF at 1993-94 Credit Disbursement
prices (Crore) (Apr.-Mar.)
(Rs. In crore)

2002-03	21500	69560
2003-04	4186	86981.00
2004-05	N.A.	115242.81
2005-06	N.A.	81679.58 (upto September, 2005)

Source: CSO & NABARD.

The target of agricultural credit flow for the year 2004-05 was fixed at Rs. 1,05,000.00 crore against which the achievement made was Rs. 1,15,242.81 crore. For the year 2005-06, the target is fixed at Rs. 1,42,000.00 crore and the achievement made so far upto 30-9-2005 is Rs. 81679.58 crore (57.52%).

As regards, the agricultural land in the country, it has remained more or less at the same level. The latest State-wise information available for last three years is given in the Annexure.

(c): The Government has taken number of initiatives which include multi-pronged strategy to address several issues in the agricultural sector. A series of policy initiatives has been taken in several vital areas like credit, irrigation facilities, crop diversification, marketing infrastructure, horticulture, etc. to enhance production and productivity. The Government 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 for higher investment include micro irrigation technology comprising drip and sprinkler irrigation. National Horticulture Mission has been taken up with focus on backward and forward linkages, and development / strengthening of agricultural marketing infrastructure, grading and standardization.

(d): To improve investment in agriculture, steps have been taken to raise public investment in irrigation projects by increasing the outlay on the Accelerated Irrigation Benefit Programme (AIBP) from Rs. 2800.00 crore in 2004-05 to Rs. 4800.00 crore in 2005-06. Similarly, a sum of Rs. 400.00 crore has been provided in the Union Budget 2005-06 for promoting micro irrigation.

A Comprehensive Credit Policy was announced by the Government on 18-6-2004 in order to double agriculture credit in next three years and to provide debt relief to the farmers affected by natural calamities. Several policy initiatives like broadening the scope of Kissan Credit Cards and revision in the norms of fixing scale of finance have been taken to meet realistic need of the farmers. A

package providing for restructuring debts of farmers in distress and in arrears have been put in to operation that provide rescheduling of outstanding loans over a period of five years including moratorium of two years.

ANNEXURE

State wise Agricultural Land/Cultivable land for the years from 2000-01 to 2002-03

(000 Hectares)

State	2000-01	2001-02	2002-03 (P)
Andhra Pradesh	15841	15816	15778
Assam	3224	3225	3225
Bihar	6651	6642	6641
Chhattisgarh	5608	5612	5600
Gujarat	12354	12357	12357
Haryana	3783	3776	3735
Himachal Pradesh	804	801	806
Jammu & Kashmir	1050	1050	1050
Jharkhand	4184	4184	4184
Karnataka	12916	12910	12908
Kerala	2393	2382	2381
Madhya Pradesh	17278	17336	17373
Maharashtra	21125	21196	21196
Orissa	7473	7473	7473
Punjab	4312	4312	4312
Rajasthan	25646	25649	25633
Tamil Nadu	8273	8265	8251
Uttaranchal	1416	1416	1416
Uttar Pradesh	19389	19334	19315
West Bengal	5899	5933	5854
Other States/UTs#	3453	3326	3356
All India	183072	182997	182845

Note: #Other States/UTs include Arunachal Pradesh, Goa, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, A&N Islands, Chandigarh, D&N Haveli, Delhi, Daman & Diu, Lakshadweep and Pondicherry.

P – Provisional.