

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2363
ANSWERED ON:13.03.2006
CLASSIFICATION OF AGRICULTURAL SUBSIDIES
Singh Shri Chandra Bhushan

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has received recommendation regarding classification of agricultural subsidies into those which benefit small farmers and those which go to the agri business companies big farmers and land owners;
- (b) if so, the reaction of the Government in this regard;
- (c) whether in India the agricultural activities have been showing downward trend; and
- (d) if so, the reasons therefor and the steps taken by the Government to protect Indian farmers?

Answer

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

- (a) & (b): The information is being collected and will be laid on the Table of the House.
- (c): The actual growth rates achieved are given below:

Year Actual Annual Growth Rate
in Agriculture and
Allied Sectors (%)

2000-2001 -0.10
2001-2002 6.30
2002-2003 -6.90
2003-2004 10.00
2004-2005 0.70
2005-2006 2.30
(Advance Estimates)

Source: Tenth Plan Document; Central Statistical Organisation.

- (d): The reasons include drought and other natural calamities as well as problems like inadequate investment, low irrigated area, inadequate flow of credit, low productivity, and inadequate marketing infrastructure.

A number of steps through policy initiatives have been taken in vital areas like credit, irrigation facilities, crop diversification, marketing infrastructure, horticulture and extension services. This process is being further strengthened through farm mechanization, agri-clinics and agri-business centres and extension services. Other areas for higher investment include micro-irrigation comprising drip and sprinkler irrigation, National Horticulture Mission having end-to-end approach with backward and forward linkages covering research, production, post harvest management, processing and marketing, under an umbrella, in an integrated manner.