

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:1955
ANSWERED ON:08.03.2006
TARGETS FOR TENTH FIVE YEAR PLAN
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Will the Minister of PLANNING be pleased to state:

- (a) whether the Union Government has received any information regarding possibilities of achieving targets fixed for the Tenth Five Year Plan;
- (b) if so, the details thereof including the sectors in which targets would be achieved;
- (c) if not, the reasons therefor;
- (d) the names of the sectors where 75 per cent of the fixed targets have not been achieved by December 2005; and
- (e) the steps taken by the Government to achieve the targets?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) : As per the National Accounts Statistics brought out by the Central Statistical Organisation, the growth rate of GDP at market prices (at constant 1999-2000 prices) is estimated at 7.2 per cent for the first four years of the Tenth Plan, as against the overall 8.1 percent GDP growth target set for the Tenth Plan period. It may be mentioned that the estimates of actual achievement are for the new base year of 1999-2000.

(b) to (d): The targets/ achievements for the Tenth Five Year Plan period for the three major sectors of the economy is given below in the table.

Growth targets/ achievements for the Tenth Plan period

S.No Sectors Tenth Plan targets(2002-07) Growth rate(2002-03 to 2005-06) #

1. Agriculture 4.0 1.4

2. Industry 8.7 8.1

3. Services 9.3 8.8

4. GDP
(at market prices) 8.1 7.2

These are at constant 1999-2000 prices.

From the above table, it may be noted that agricultural sector would need to grow at 14 per cent in 2006-07 to achieve the Tenth Plan

target and both Industry and Services sector would need to grow at 11 per cent. It may be further noted that only the agricultural sector has not achieved 75 per cent of the Tenth Plan growth target upto 2005-06.

Agricultural growth has been affected by erratic monsoon, inadequate public investment in irrigation, power and rural infrastructure apart from poor maintenance of existing irrigation and traditional water harvesting structures and insufficient technical expertise for watershed development. Further there has been imbalanced use of N, P & K fertilizers, inadequate extension and credit support and agro-processing facilities.

(e): The Government is aware of the decline in growth rate in agriculture sector and is taking a number of steps to enhance the growth rate of agriculture sector. The steps proposed in the Mid-Term Appraisal of the Tenth Five Year Plan include raising public investment in irrigation and water resources management; watershed development and reclamation of waste/degraded land; provision of water entitlements for implementing decentralized irrigation system, micro irrigation with appropriate technical inputs. Emphasis has been given to involvement of local communities and resolving the issue of land ownership. Further, emphasis has been given on making agricultural research and extension services more strategic in nature and to harness the expertise available in the private sector. In addition, diversification of agriculture towards horticulture crops has been proposed along with non-farming rural activities, with suitable infrastructural support for processing and marketing. The Government has increased outlay for the agriculture and allied sectors. The Plan outlay of the Department of Agriculture and Cooperation has been increased from Rs. 4179.32 crore (BE) in 2005-06 to Rs 4800 crore (BE) for 2006-07. In the case of Department of Animal Husbandry, Dairying and Fisheries, the plan outlay in 2005-06 of Rs. 669.08 crore has been raised to Rs. 777 crore during 2006-07 and for Department of Agricultural Research and Education, the plan outlay of Rs. 1150 crore in 2005-06 has been raised to Rs 1350 crore for 2006-07.

The Budgetary allocation for Accelerated Irrigation Benefits Programme (AIBP) has been increased from Rs. 4800 crore in 2005-06 to Rs. 7121 crore in 2006-07. The Finance Minister in his Budget Speech for the year 2006-07 has also announced short-term credit to the farmers at 7 percent interest. The farm credit which was Rs.125,309 crore in 2004-05 is expected to cross the target of Rs.141,500 crore in 2005-06 and further is to increase to Rs.175,000 crore in 2006-07. In the Irrigation sector, the Command Area Development Programme is to be revamped to allow participatory irrigation management through `water users` associations.