

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:739
ANSWERED ON:31.07.2006
SURPLUS GENERATING AGRICULTURE .
Reddy Shri Magunta Sreenivasulu

Will the Minister of AGRICULTURE be pleased to state:

- (a) Whether any initiatives have been undertaken to achieve the objective of a dynamic surplus generating agriculture, ensure equitable distribution and provide safety nets for the vulnerable sections;
- (b) If so, the details thereof; and
- (c) The achievements made thereunder so far?

Answer

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

(a) to (c): The Government has taken several initiatives in this regard. These include enhancing institutional credit flow to the farmers and strengthening of cooperative credit structure; ensuring the timely availability of quality inputs; promoting farmer friendly, demand driven agriculture extension system; accelerating diversification to high value crops including horticulture activities; strengthening infrastructure and the supply chain; optimizing the efficient utilization of available water resources through micro irrigation and enhancing the sustainability of dry-land/rain fed farming system; reforming agricultural markets, and widespread use of post harvest technology; and putting in place a broader spectrum of risk management apparatus for farmers. The focus of agriculture credit policy is on progressive institutionalization for providing timely and adequate credit support to farmers with particular focus on small and marginal farmers and weaker sections of society to enable them to adopt modern technology and improved agricultural practices.

A comprehensive credit policy was announced by the Government on 18th June, 2004 containing measures for doubling of agricultural credit flow in next three years and provision of debt relief to farmers. The target of agriculture credit flow for the year 2004-05 was Rs.105000 crore and the achievement was Rs.125309.37 crore, and for the year 2005-06 the target fixed was Rs.141000 crore and the achievement was Rs.157479.57 crore. To reduce the debt burden of farmers, the Government has in the Union Budget (2006-07) decided to ensure that the farmer

Receives short term credit at 7%, with an upper limit of Rs.3 lakh on the principal amount. Measures are underway for revamping the Cooperative Credit Structure. A Bill in this regard has been introduced in the Parliament. To provide a safety net to the farmers, the National Agricultural Insurance Scheme (NAIS) – (Rashtriya Krishi Bima Yojana) is under implementation from Rabi 1999-2000 season, and further improvements are being made through a Modified NAIS. The Government has decided to launch a special rehabilitation package to mitigate the distress of farmers in 31 identified districts in the States of Maharashtra, Andhra Pradesh, Karnataka, and Kerala. The package in respect of 6 districts in the Vidarbha region of Maharashtra has already been announced.

To consider various aspects of the problems relating to storage of agricultural produce and to improve the country's storage capacity and also storage technology, the Capital Investment Subsidy Scheme `Gramin Bhandaran Yojana` has been launched during 2001. The Bharat Nirman Programme which is under implementation is also focused on infrastructure development in rural areas. The National Horticulture Mission which is under implementation from 2005-06, aims at ensuring a holistic development of the horticulture sector having backward and forward linkages with an end-to-end approach covering research, production, post harvest management, processing and marketing, with active participation of all stakeholders. The new scheme `Micro Irrigation` was launched during 2005-06 to increase water use efficiency, reduce the cost of production and to stabilize production. Actions are underway for setting up of a National Rainfed Area Authority. A new Centrally Sponsored Scheme `Support to State Extension Programmes for Extension Reforms` is under implementation aimed at revamping agricultural extension in the States based on the Agricultural Technology Management Agency (ATMA) model.