

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3641
ANSWERED ON:18.12.2006
SUBSIDY TO AGRICULTURE SECTOR
Mahato Shri Sunil Kumar;Prasad Shri Hari Kewal

Will the Minister of AGRICULTURE be pleased to state:

- (a) Whether the subsidy being paid to agriculture sector form only a negligible part of the Gross Domestic Product (GDP) of the country ;
- (b) If so, the details thereof ;
- (c) Whether the subsidy given to agriculture sector in the country is also very low as compared to other developed countries ;
- (d) If so, the reaction of the Government thereto ;
- (e)Whether the Government proposes to increase the subsidy on agriculture ;and
- (f) If so, the details thereof ?

Answer

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

(a)&(b) : Subsidy in India`s Agriculture sector forms negligible part of the Gross Domestic Product (GDP) of the country. As per latest information available from Central Statistical Organization (CSO), subsidy given to Agriculture Sector for fertilizer, irrigation and other subsidies (for seeds etc,) during 2004-05 is Rs.45,244 crore which is 1.59 per cent of the total GDP of Rs.28,43,897 crore at factor cost.

(c)&(d) : India has no far filed domestic support notifications with the WTO only upto the year 1997-98. Comparative Domestic Support Provided by United States of America, European Communities, Japan and India as notified to the World Trade Organization (WTO) for the years 1995 to 1997 are given below:

Details of Comparative Domestic Support

(in US \$ million)
Name of the country Year

1995 1996 1997

United States of America	60,926.10	58,875.90	58,205.70
European Communities	1,16,537.70	1,14,606.10	1,00,698.20
Japan	69,607.30	54,912.80	47,748.30
India	8,221.98	8,288.28	9,048.13
year	(1995-96)	(1996-97)	(1997-98)

Domestic Support excludes Export Subsidies.

(e) : No, Sir.

(f) : Does not arise.