

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO.3358**  
TO BE ANSWERED ON THE 6<sup>TH</sup> DECEMBER, 2016

**CONTRIBUTION OF FARM SECTOR IN GDP**

3358. SHRI PARBHUBHAI NAGARBHAI VASAVA:  
SHRI NIMMALA KRISTAPPA:  
SHRI K.N. RAMACHANDRAN:  
SHRI B.S. YEDIYURAPPA:  
SHRI MALLIKARJUN KHARGE:  
SHRI M.I. SHANAVAS:  
SHRI SHARAD TRIPATHI:  
SHRI D.K. SURESH:  
SHRI KUNWAR PUSHPENDRA SINGH CHANDEL:  
SHRI RAMESH BIDHURI:  
DR. SWAMI SAKSHIJI MAHARAJ:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether there has been an adverse impact of global economic recession on the growth of agriculture sector in the country and if so, the details thereof along with the contribution of farm sector to the Gross Domestic Production (GDP) and its growth rate during the last three years and the current year;
- (b) whether public, private and Foreign Direct Investments (FDI) are allowed in the agriculture and allied sectors and if so, whether FDI flow into agriculture and allied sectors is very low and if so, the reasons therefor and the measures taken to attract more FDI and private investment to ensure speedy development of these sectors;
- (c) whether the Government has launched 'Per Drop More Crop' Scheme to increase agriculture growth rate at par with international standards and if so, the details and the achievements thereof;
- (d) whether the Government proposes to create employment opportunities for new generation in the agriculture sector in the country including Kerala and if so, the details thereof along with the share of employment in agriculture sector in comparison to that of industrial and service sectors in the country; and
- (e) whether the Government has recently held any discussion with stakeholders including farmers and entrepreneurs engaged in the agro industries to improve agricultural growth rate in the country and if so, the details thereof and the response of the Government thereto?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI S.S. AHLUWALIA)

(a): There has not been any adverse impact of global economic recession on the growth of agriculture sector in the country.

Contd...2/-

As per the latest estimates released by Central Statistics Office (CSO), the details of contribution of Gross Value Added (GVA) of agriculture & allied sector to total economy in the country and its growth rate during the last three years and the current year at 2011-12 basic prices are given as below:

<b>(At 2011-12 prices)</b>		
Year	Contribution of GVA of Agriculture & Allied Sector in Total Economy (%)	Growth rate in GVA of Agriculture & Allied Sector (%)
2012-13	17.8	1.5
2013-14	17.5	4.2
2014-15	16.3	-0.2
2015-16	15.4	1.2

Source: Central Statistics Office (CSO)

The growth of the agriculture sector depends on several factors including vagaries of nature, temperature, weather and rainfall scenario, availability of water in reservoirs, etc.

(b): Public and private investments as well as Foreign Direct Investment (FDI) are allowed in the agriculture and allied sectors. FDI up to 100 percent is permitted under automatic route in specified activities of the agriculture and allied sectors (The details are at **Annexure**). Further, 100 percent FDI is also allowed under automatic route in the plantation sector namely tea, coffee, rubber, cardamom, palm oil tree and olive oil tree.

(c): Government launched Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) in July, 2015 which aims at providing end to end solutions in irrigation supply chain, viz. water sources, and distribution network and farm level applications. Under the above Scheme, micro irrigation is being popularised to ensure 'Per drop-More crop'. The achievement made under PMKSY 'Per Drop More Crop' Scheme, during the year 2015-16 and 2016-17 are given as under:

Year	Area covered (Ha)
2015-16	572980
2016-17 (up to 30.11.2016 )	179122

(d): In order to attract farmers/workers to the agriculture sector a new central scheme, Attracting Rural Youth in Agriculture (ARYA) has been introduced by the Government. It aims to operate through selected Krishi Vigyan Kendras (KVKs) in the country and envisages supporting and guiding rural youth towards income generating technologies, services and enterprises, which are essentially required in the villages.

As per Employment and Unemployment Survey conducted by National Sample Survey Office (NSSO) for 2011-12 (latest available) the share of employment in agriculture & allied has been 48.9% as compared to 24.3% in industrial and 26.8% in service sectors.

(e): No, Madam.

## Annexure

Annexure referred to reply to part (b) of Lok Sabha Unstarred Q. No. 3358 due for reply on 6.12

Para 5.2.1 of “ Consolidated FDI Policy Circular of 2016” on Agriculture			
Sl. No.	Sector/Activity	% of Equity/ FDI Cap	Entry Route
<b>Agriculture</b>			
<b>5.2.1</b>	<b>Agriculture &amp; Animal Husbandry</b>		
	a) Floriculture, Horticulture, Apiculture and Cultivation of Vegetables & Mushrooms under controlled conditions; b) Development and Production of seeds and planting material; c) Animal Husbandry (including breeding of dogs), Pisciculture, Aquaculture; and d) Services related to agro and allied sectors  <b>Note: Besides the above, FDI is not allowed in any other agricultural sector/activity</b>	100%	Automatic
<b>5.2.1.1</b>	<b>Other Conditions:</b>		
	I. The term “under controlled conditions” covers the following:  (i) ‘Cultivation under controlled conditions’ for the categories of floriculture, horticulture, cultivation of vegetables and mushrooms is the practice of cultivation wherein rainfall, temperature, solar radiation, air humidity and culture medium are controlled artificially. Control in these parameters may be effected through protected cultivation under green houses, net houses, poly houses or any other improved infrastructure facilities where micro-climatic conditions are regulated anthropogenically.		

Para 5.2.2	<b>Plantation</b>		
	Sector/ Activity	% of Equity FDI Cap	Entry Route
	(i) Tea sector including tea plantation (ii) Coffee plantations (iii) Rubber plantations (iv) Cardamom plantations (v) Palm oil tree plantations (vi) Olive oil tree plantations  <b>Note: Besides the above, FDI is not allowed in any other plantation sector/ activity.</b>	100%	Automatic

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