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

LOK SABHA UNSTARRED QUESTION NO.5922 TO BE ANSWERED ON THE 3RD APRIL, 2018

GROWTH OF AGRICULTURE SECTOR

5922. SHRI C. MAHENDRAN: SHRI V. ELUMALAI:

Will the Minister of AGRICULTURE AND FARMERS WELFARE ‡ãoŠãäÓã एवं किसान कल्याण ½ãâ¨ããè be pleased to state:

- (a) whether the growth rate of agriculture sector in the country has dropped from 3.5 per cent three years before 1.7 per cent this year and if so, the reasons therefor;
- (b) whether the agriculture and allied sectors are estimated to grow at a slower pace of 3 per cent in 2017-18 as compared to 6.3 per cent in 2016-17 and if so, the details thereof and the reasons therefor;
- (c) whether the country needs to import foodgrains to meet the country's demand and if so, the details thereof;
- (d) whether the institutional barrier comprising governance, the quality of public systems, and economic policies has become the most serious impediment to agriculture growth in the country and if so, the details thereof and the steps taken by the Government to improve the situation;
- (e) whether the long term growth trend in production and productivity of agriculture, considerably less than required to sustain the projected high overall growth rates in the coming decade may actually be slowing down and the growing economic and social disparities between agriculture and the rest of the economy and between rural and urban sectors have made the farmers life deep miserable and if so, the details thereof; and
- (f) whether the Government has launched several schemes for the growth of agriculture sector and welfare of the farmers through increase in production and productivity of agricultural crops and to improve income levels of farmers and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a): As per the first revised Estimates of National Income released by the Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI) dated 31st January, 2018, the growth rate of Gross Value Added (GVA) of agriculture (crop and livestock) in the country at constant (2011-12) prices for the last four years 2013-14 to 2016-17 is as under:

(in percent)

Year	Growth of Gross Value Added (GVA) of agriculture (crop and livestock) at constant (2011-12) prices
2013-14	5.5
2014-15	-0.8
2015-16	-0.1
2016-17	6.8

Source: Central Statistics Office (CSO), MoSPI

- (b): As per the Second Advance Estimates of National Income 2017-18 released by the Central Statistics Office, MoSPI on 28th February, 2018 the growth rate of Gross Value Added (GVA) of agriculture and allied sector in the country at constant (2011-12) prices was 6.3 and 3.0 percent for 2016-17 and 2017-18 respectively. The CSO's approach of estimation of GVA in agriculture sector is predominantly production based. Since 2016-17 marked a record production of foodgrains and the base year 2015-16 (for calculating growth of GVA 2016-17) was a drought year, the GVA in agriculture and allied sector recorded a high growth during 2016-17. In spite of a better agricultural output estimated for 2017-18, the GVA growth rate is moderate on account of the high output in the base year, viz. 2016-17.
- (c): Agricultural production and productivity in the country has been generally increasing with the exception of the years affected by drought, floods, other natural calamities, etc. Incase of exigencies on account of cyclical fluctuations, Government of India facilitates imports of various agricultural commodities to augment their domestic availability.
- (d) to (f): Agriculture is a state subject and, therefore, it is primarily the responsibility of States to take necessary steps for development of agriculture in their respective areas. However, Government of India supplements the efforts of States through appropriate policy measures and budgetary support. Government has launched several schemes to increase growth of agriculture sector in the country and for welfare of the farmers through increase in production and productivity of agricultural crops and to improve the income level of farmers. These include programmes like National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY), Bringing Green Revolution to Eastern India (BGREI), National Mission on Oilseeds and Oil Palm (NMOOP), National Mission on Agriculture Extension & Technology (NMAET), National Mission for Sustainable Agriculture (NMSA) and Pradhan Mantri Krishi Sinchai Yojana (PMKSY) etc.

Further, the minimum support prices (MSPs) of major agricultural commodities have been progressively increased to ensure remunerative price to the farmers. The Budget for 2018-19 has announced that as a pre- determined principle, Government has decided to keep MSP at one and half times of the cost of production of the ensuing Kharif crops also in line with that already implemented for the majority of rabi crops of 2018-19 marketing season.

As a result of the initiatives taken by the Government of India and policies implemented by the respective State Governments, record production of foodgrains (including both cereals and pulses) is estimated in the country during 2017-18 as per the Second Advance Estimates. Production of oilseeds, foodgrains and pulses during 2017-18 is estimated at 29.88 million tonnes, 277.49 million tonnes and 23.95 million tonnes, respectively. The estimated production of foograins in 2017-18 equals the demand for foodgrains during 2020-21 as projected by the Twelfth Plan Working Group on Crop Husbandry, Demand and Supply projection, Agriculture Inputs and Agricultural Statistics.

As per the First Advance estimates of production of horticulture crops 2017-18, production of horticulture crops is estimated at 305426.30 thousand MT in 2017-18 as compared to 300642.95 thousand MT in 2016-17. However, unlike other sectors where growth comes from greater and greater uses of factors of production as well as productivity gains, agriculture sector growth is limited by the availability of land and is thus, largely driven by productivity gains.
