

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE & FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION & FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION NO. 2481
TO BE ANSWERED ON THE 3RD AUGUST, 2021

AGRICULTURE CONTRIBUTION TOWARDS GDP

2481. SHRI NAMA NAGESWARA RAO:

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

- (a) the contribution of agriculture and allied sectors towards the Gross Domestic Product (GDP) of the country, achieved during each of the last three years;
- (b) whether the contribution of agriculture sector to the economy has witnessed a declining trend over the years and if so, the details thereof and the reasons therefor;
- (c) whether the present level of investment in agriculture and allied sectors under various Government schemes is inadequate;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the steps proposed to be taken by the Government to increase the capital investment in agriculture sector to increase the agricultural growth rate and to enhance the contribution of the sector to the GDP?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b) As per Provisional Estimates of Annual of National Income, released by National Statistical Office (NSO), Ministry of Statistics and Programme Implementation on 31st May 2021, the share of Agriculture and Allied Sectors in Gross Value Added (GVA) of the country during the last three years at current prices is given below.

(in percent)

Year	Percentage Share of GVA of Agriculture and Allied sector to Total Economy
2018-19	17.6
2019-20	18.4
2020-21	20.2

Source: National Statistical Office (NSO), M/o Statistics & PI.

(c) to (e): As per First Revised Estimates of National Income for 2019-20 released on 29th January 2021, Gross Capital Formation (GCF) in agriculture and allied sectors at current prices during the last three years (latest available) is given below.

(₹ crore)

Year	Gross Capital Formation (GCF) of Agriculture, forestry and fishing at Current Price
2017-18	3,62,706
2018-19	4,07,842
2019-20	4,46,044

Source: National Statistical Office (NSO), M/o Statistics & PI.

Agriculture being a State subject, the State Government is primarily responsible for the growth and development of agriculture sector and developing perspective plans for their respective States and ensuring effective implementation of the programmes/schemes. However, Government of India supplements the efforts of the State Governments through various Schemes / Programmes. The details of various schemes, reforms and policies are given below.

- Unprecedented enhancement in budget allocation
- Fixing of MSP at one-and-a half times the cost of production
- Increase in procurement from farmers
- Income support to farmers through PM KISAN
- Pradhan Mantri Fasal BimaYojana (PMFBY)
- Institutional credit for agriculture sector
- Providing Soil Health Cards to farmers
- Promotion of organic farming in the country
- Neem Coating of Urea
- Agri Infrastructure Fund
- Promotion of FPOs Scheme
- National Bee and Honey Mission (NBHM)
- Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
- Micro Irrigation Fund
- Agricultural Mechanization
- Changes in Disaster Relief Standards
- Setting up of E-NAM extension Platform
- Improvement in farm produce logistics, Introduction of Kisan Rail
- Creation of a Start-up Eco system in agriculture and allied sector

Government has taken several steps for increasing investment in agriculture sector such as enhanced institutional credit to farmers; promotion of scientific warehousing infrastructure for increasing shelf life of agricultural produce; setting up of Agri-tech Infrastructure Fund for making farming competitive and profitable; developing commercial organic farming etc. Government is implementing various schemes for supply of farm inputs, like seeds, fertilizers, agricultural machinery and equipments, irrigation facilities, institutional credit, etc., at subsidized rates to the farmers in the country. Government has recently taken several steps for increasing investment and growth in agriculture sector which include

creation of Long Term Irrigation Fund (LTIF), Micro Irrigation Fund for water use efficiency, promotion of commercial organic farming, etc. The details of such major schemes /steps are given below.

Government of India has launched the Central Sector Scheme of financing facility under Agriculture Infrastructure Fund (AIF) to boost Agriculture Infrastructure relating to post harvest management and community farming assets. Under this scheme entities such as farmers, agri entrepreneurs, starts up, Central/ State agency or local body sponsored public private partnership projects etc. can take benefit for setting up eligible infrastructure projects. Under Rashtriya Krishi Vikas Yojana (RKVY) Scheme of Ministry of Agriculture, grants-in-aid is given to state governments on the basis of the projects approved in State Level Sanctioning Committee Meeting (SLSC). States can take up projects for the development of Agriculture and allied sector in Public Private Partnership (PPP) for Integrated Agriculture Component.

Under Mission for Integrated Development of Horticulture (MIDH) of this Ministry financial assistance in the range of 35% to 55% of eligible projects cost is available in the form of credit linked back ended for creation of Post-Harvest management infrastructure like Pack Houses, Pre-cooling units, Integrated pack houses, Refrigerator van, Primary/mobile Processing unit, cold storage etc farm gate level to consumption level. The post-harvest component is demand/entrepreneurs-driven from among entrepreneurs, private companies, cooperatives, farmers groups etc. through commercial ventures for which assistance is available through respective State Horticulture Mission.

The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme is being implemented with a view to provide income support to all landholding farmer families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs. The Scheme, effective from 1.12.2018, aims to provide a payment of Rs.6000/- per year for the farmers' families with cultivable land holding, subject to certain exclusions. The financial benefit of Rs.6000/- is being released by the Central Government in three 4-monthly instalments of Rs.2000/- over the year directly into the bank accounts of the eligible farmers under Direct Benefit Transfer mode.

Further, Government of India has launched the Aatmanirbhar Bharat Abhiyan (ABA) to strengthen Infrastructure, Logistics, Capacity Building, Governance and Administrative Reforms for Agriculture.
