

Agriculture and Land Development

1. Agriculture is the mainstay of the Indian Economy.
2. The share of agricultural sector's capital formation in GDP declined from 1.92% in the early 1990s to 1.28% in early 2000s. This has improved to 2.12% in 2006-07.
3. Agriculture and allied sectors contribute nearly 18% of national income (GNI of India), while about 60% of the population is dependent on agriculture for their livelihood.
4. The agricultural output, depends on monsoon as nearly 60% of area sown in is dependent on rainfall.
5. Land utilisation data is available for 92.9% of total geographical area of 3,287.3 lakh hectares.
6. Agriculture accounts only for about 10.6% of the total export earnings in 2009-10.

Share of Agricultural Sector in Total Gross Domestic Product

(At 1999-00 prices, in percentage terms)

Agriculture includes agriculture, forestry and fishing.

(Source : Economic Survey 2007-08, Statistical Abstract of India 2008. CSO, National Accounts Statistics, 2010, (2004-05 prices)).

7. Figures provided by the Central Statistical Organisation reveal that between 1950-51 to 1960-61, the share of agriculture in GDP has been in the range of 55 to 52%. The share of agriculture indicated a sharp decline and reached a level of 14.6% in 2009-10.
8. Importance of agriculture in the national economy is indicated by many facts, e.g.— agriculture is the main support for India's transport systems, secure bulk of their business from the movement of agricultural goods. Internal trade is mostly in agricultural products.
9. Agricultural growth has direct impact on poverty eradication. It is also an important factor in containing inflation raising agricultural wages and employment generation.
10. But, since 2002-03, Indian agricultural sector is almost going through a crisis—huge food grains surplus wiped out, large imports of wheat being planned and farmers' suicides more frequent all over the country.

11. Besides, the allied sectors like horticulture, animal husbandry, dairy and fisheries have an important role in improving the over all economic conditions and nutrition of the rural masses.

12. To maintain the ecological balance, there is need for sustainable and balanced development of both agriculture and the allied sectors.

13. The Tenth Plan asserts emphatically that the agricultural sector acts as a bul-work in maintaining food security and, in the process, national security as well.

14. Agricultural growth rate achieved in 9th Plan was 2.1%, while the target for the 10th Plan (2002-07) was 4% and for 11th plan (2007-12) is also 4%.

15. Commercial crops are those crops which are produced for trade purpose and not for self consumption by the farmers. It includes - Oilseeds crops, Sugar crops, Fibre crops, Narcotic crops, Beverage crops.

16. To encourage the agricultural products, the government announces to minimum support price for important agricultural crops.

17. The function of Agriculture Cost and Price Commission (ACPC) is to decide the minimum support prices on behalf of the government.

18. Minimum Support Price (MSP) announced by the government is that price at which government is ready to purchase the crop from the farmers directly, if crop price falls below the MSP.

19. For providing facilities relating to storage of agriculture products, "National Co-operative Development and Warehousing Board" was established in 1956 and "Central Warehousing Corporation" was established in 1957. Thereafter in states also the State Warehousing Corporation were established.

20. The programme of High Yielding Variety Seeds was combined with a guiding project I.A.D.P. and a target was set to extend this system of development in entire country.

21. The credit of green revolution in India is given to the Agriculture Scientist Dr. Norman Borlaug. However, the contribution of Dr. M.S. Swaminathan is not less. But, its termed name is the contribution of American scientific Dr. William Gande.

22. Due to horrible famine during 1965-66 and 1966-67, the government implemented the new agriculture policy of high yielding seeds so as to increase agriculture production.

23. India is the largest milk producing country in the world.

24. There is significant increase in the milk production to the level of 108.5 million tonnes in the year 2008-09 as compared to 53.9 million tonnes in 1990-91.
25. Speedy increase in the field of milk production is called White Revolution.
26. To increase the pace of White Revolution, the Operation Flood was started.
27. In milk production of the country the share of Buffalo, Cow and Goat is 50%, 46% and 45% respectively.
28. The Father of Operation Flood was Dr. Verghese Kurien.
29. The Operation Flood was the largest integrated dairy development programme of the world. It was started by National Dairy Development Board in 1970.
30. The increase in oil seeds production was due to "Yellow Revolution".
31. The progress in increase of fish production was called "Blue Revolution".
32. Assam is the biggest tea producer in the country.
33. India ranks sixth in world coffee production and contributes only 4% of world coffee production.
34. Cuba is known as the Sugar Bowl of the world. Here, sugar is made of Beetroot.
35. India holds first position in the world in the production of sugar-cane and sugar.
36. The importance of agriculture in the industrial sector is not only for supply of raw material, but it provides foodgrains for the people working in that sector and market for industrial products.

Agricultural Production

1. Indian agriculture still depends upon monsoon.
2. Agricultural production can be divided into two parts — Foodgrains and Non-foodgrains, in which the share of foodgrains is two-third and non-foodgrains is one-third.

Note : 1. Agricultural sector is composed of agriculture and allied activities rural development, special area programmes and irrigation and flood controls.

2 Tenth and Eleventh Plan figures are at 2006-07 prices.

Source : Various Five-Year Plan Documents (Courtsey: Indian Economy)

- 3.** The percentage of plan outlay on agriculture and allied sectors to total plan outlay varied between 31% and 14.9% from the First Plan to Tenth Plan.
- 4.** Actual outlay on the agricultural sector ranged between 18 and 24% of the total Plan outlay (except during the First Plan, it was as high as 31%).
- 5.** During Eleventh Plan (2007—12) the plan outlay on agriculture has declined to only 18.5%.

Food grains Production

This was at a record high of 259.32 million tonnes in 2011-12 in India.

- 6.** During the first decade of planning (1951-61) when the First and Second Five Year Plans were implemented, the annual rate of growth in agriculture was 3.3%.
- 7.** During the next two decades of planning in 1961-81, despite spectacular progress achieved under the new agricultural strategy and IADP and HYVP, the overall progress in agriculture was dismal; the annual average rate of growth declined to 2.2% and 1.7% respectively, mainly because of bad weather and poor monsoon conditions.
- 8.** The growth rate in the 1980's was highly respectable (3.9%).
- 9.** The Tenth Plan had fixed a target rate of growth of 4% in agriculture to achieve 8% rate of growth in GDP.
- 10.** During the Eleventh Plan also, the Planning Commission has fixed the target of 4% rate of growth in agriculture.
- 11.** The Tenth Plan was the first plan which did not fix targets of crop production.
- 12.** Actual production of rice ranged between 82 and 93 million tonnes in between 1997 and 2007.
- 13.** The production of wheat which stood at 11 million tonnes in 1960-61 rose to 76 million tonnes in 1999-2000, but declined to 72 million tonnes in 2003-04.
- 14.** Actual production of wheat ranged between 69 and 75 million tonnes in between 1997-2007.
- 15.** Even now the production of pulses fluctuates between 13 and 15 million tonnes per year.

16. Green revolution did not cover barley, ragi and minor-millet.
17. The Green revolution was confined only to High Yielding Varieties (HYV) mainly rice, wheat, maize and jowar.
18. National Agriculture Insurance Scheme was implemented in Oct. 1999.
19. On 28th July 2000, the Central government fixed target for rate of growth in agriculture sector at more than 4% by 2005 under the National Agriculture Policy.

Land Reforms Programmes in India include

1. Elimination of intermediaries
2. Tenancy Reforms
3. Determination of ceiling of holdings per family
4. Distribution of surplus land among landless people
5. Consolidation of holdings (Chakbandi)
 1. By the end of first five year plan middlemen had been removed (except small areas).
 2. The following measures were made effective for the betterment of farmers :
 - (i) Regulation of tax (ii) Security for the rights of farmers (iii) Right of land ownership for the farmers
 3. For the reorganisation of agriculture land holding mainly two measures were taken - (i) Land ceiling and (ii) Chakbandi.
 4. Land ceiling determines the maximum land which can be held by a farmer. Holding more than that area will be illegal.
 5. Chakbandi of land means to aggregate the divided and broken land.
 6. The land within area less than 1 hectare, is called marginal land holding, 1 to 4 hectare area is called small land holding and the land within area more than 4 hectare, is called large land holding.
 7. Chakbandi was implemented first time in India in the year 1920 in Baroda.
 8. The irrigation potential in India in 2000-01 was 9.47 crore hectare.

9. Green Revolution was started in the Third Five Year Plan.
10. The most positive effect of Green Revolution was on wheat. There was 500% increase in crop production.
11. Unorganised sources of agriculture finance are money-lenders, money-dealers, relatives, businessmen, landlords and commission agents.
12. Organised sources of agriculture finance are Co-operative Committees, Co-operative Banks, Commercial Banks, Regional Rural Banks, the Government etc.
13. Co-operative Credit Organisation started first time in 1904.
14. Primary Co-operative Committees provide credit for short period.
15. State Co-operative Agriculture and Rural Development Banks provide credit for long period.
16. Land Development Bank provides long-term loans.
17. Land Development Bank was established in the year 1919 in the form of Land Mortgage Bank.
18. National Bank for Agriculture and Rural Development (NABARD) is the apex institution of Rural Credit. It was established on 12th July, 1982 by the merger of Agriculture Credit department and reconstruction of Agriculture and Development Corporation of the Reserve Bank of India. Its establishment is based on the recommendations of Shivraman Committee.
19. Authorised share capital of NABARD was Rupees 500 crore. However, after an amendment its authorized share increased upto 5000 crore with effect from 1st February, 2001.
20. Food stocks are maintained by the central government for 3 purposes :
 - Maintaining prescribed buffer stock norms for food security,
 - Monthly supply through Public Distribution System (PDS),
 - Market intervention to stabilise open market prices.
21. Buffer stock on January 1, 2002 was a 58 million tonnes.

Two major crops of India :

(a) **Kharif Crops** : Sown in July and harvested in October. They include Rice, Jowar, Bajra, Maize, Cotton, Sugarcane, Soyabean, Groundnut.

(b) **Rabi Crops** : Sown in October and harvested in March / April. They include Wheat, Barley, Gram, Tur, Rapeseed, Mustard.

(c) **Zayad Crops** : Sown during March to June. It include Watermelons, Vegetables, Moong etc.

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