



Government of Jharkhand

NATIONAL DEVELOPMENT COUNCIL MEETING

Speech of

Sri Madhu Kora

Chief Minister, Jharkhand

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New Delhi

Hon'ble Prime Minister,

Dy. Chairman, Planning Commission

Union Ministers

My Fellow Chief Ministers & Ministers from
Other States and

Officers of Govt. of India and States.

I feel happy to participate in this meeting of the National Development Council convened to deliberate on Issues concerning *Food and Agriculture*. I am confident that the decisions taken in this meeting would help promote the growth of agriculture sector in India & particularly the untapped Jharkhand in this regard.

2. In Jharkhand, about 80 - 85% people depend on agriculture. Agricultural productivity in the State is very low and the contribution of agriculture sector to GSDP is only 21%. Majority of the farmers fall under the category of small and marginal farmers and 85% of the land holdings are less than 2 ha. About 95% of the cropped area is covered

under foodgrains and remaining is under cash crops. Only 15% of the cultivable land is under multiple cropping. The foodgrains requirement in the State is around 46 lakh MT whereas foodgrain production is about 22 lakh MT. We lack in adequate irrigation facilities and marketing network. There is lack of capital for investment in agriculture sector and institutional credit flow to agriculture is not as per requirement. The prospects of vegetable production are better in the state but due to lack of marketing facilities, the farmers are not able to get remunerative prices for their produce.

3. During 10th Five Year Plan, many programmes were initiated to accelerate growth in agriculture sector. The Seed Replacement Programme in the State was almost negligible till 2001, but by the end of 10th Five Year, 10% of the sown area have been covered under the Programme. The steps are being taken to further increase coverage. 28 Seed villages were developed in the State to produce seeds of high yielding variety. We request Govt. of India to implement the Seed Replacement Programme as a Centrally Sponsored

Scheme on a very wide scale. A State level Soil Conservation Training Centre, State Agriculture Management and Training Institutes and Bio-Technology Centre have been established in the state. Krishi Vigyan Kendras (KVKs) have also been established in 18 districts of the State.

4. The State Govt. is also encouraging organic farming. Under this programme, the production of vermi compost, distribution of bio fertilisers, setting up of organic villages and, bio certification programmes are being implemented.

5. Agricultural Technology Management Agency (ATMA) was established in every district of the State. Farmers are being provided information on modern techniques of agriculture through ATMAs and KVKs. Agriculture fairs, demonstrations and workshops are being organised from State to Panchayat level to provide information about the new technologies.

6. The establishment food processing units are also being encouraged in the state.

7. The State Govt. is also making efforts to improve the marketing network. The amendments to the APMC Act on

the lines of Model Bill, as made available by Govt. of India, are under consideration.

8. There is need to promote cultivation of alternative crops in the uplands, where paddy cultivation is not beneficial. Alongwith this, the farmers should be encouraged to adopt the inter cropping techniques to enable them to get more benefits. These schemes for alternate crops have been taken up but they need to be taken up on a large scale.

9. Integrated farming project has been taken up in the State. Under the programme, the farmers are being encouraged to take up Horticulture, Bio-gas plants, Animal Husbandry, Fishery, etc.

10. During 10th Plan, the Planning Commission had fixed a 3% growth rate target for agriculture sector in Jharkhand. Concerted efforts were made to achieve this. Special thrust was given to enhance crop coverage, soil & water conservation and diversification through horticulture. As a result, the sector registered 4.47% growth rate during 10th Plan period. The coverage under pulses and oil seeds has increased in the state from 2.70 lakh ha. to 4.10 lakh ha.

11. In order to increase agriculture production in the State, various schemes need to be taken up. During 11th Plan period, the agriculture sector in Jharkhand is expected to grow at 6.3% p.a. In the State Plan for the year 2007-08, more resources have been allocated for "Agriculture" and "Irrigation Sectors" as compared to last year. These sectors have been given very high priority in the State Plan. In agriculture sector, our target is to further increase production of pulses and oil seeds through crop diversification. Accordingly, efforts are being made to shift from mono cropping to horticulture and cash crops.

12. In order to achieve the targeted growth rate in agriculture, we will have to bring more land under cultivation. Out of the total geographical area of about 79 lakh ha. of the State, only 18 lakh ha. land is being used for cultivation. 26 lakh ha. additional area can be brought under cultivation after proper treatment of soil. Low lands suffer from iron toxicity. They lack sulphur and phosphorous. Major portion of such land is acidic which poses serious threat to agriculture and fish production. Soil testing has

been done in every block of the State and "Soil Mapping" upto block level has been done which provide complete information to farmers about the extent of acidity and lack of nutrients in the soil. We have a scheme to provide "Soil Health Cards" to the farmers on the basis of soil samples collected from their fields. 25 thousand "Soil Health Card" have so been distributed to the farmers. A sum of Rs. 5000 cr. would be required to make 26 lakh ha. of land cultivable. We request Govt. of India for financial assistance in this regard.

13. During the 11th Plan period, to achieve the growth target related to agriculture we must pay special attention to those States which lag behind in agriculture but have the potential.

14. Sir, You will agree that irrigation plays an important role in the development of agriculture. The growth in agriculture is possible only through assured irrigation. The State gets about 1300 mm rainfall every year. However, due to being a plateau, the rainfall is not uniform.

15. During 10th Five Year Plan, 2.13 lakh ha. land was

provided irrigation through major and medium irrigation schemes and 4.54 lakh ha. through minor irrigation schemes. Thus, at the end of 10th Plan period, 6.67 lakh ha. additional irrigation potential has been created. Even after this, only 22% of the net sown area in the State has assured irrigation against the national average of 40%.

16. The State has great potential in minor irrigation. Now, we have decided to give higher priority to minor irrigation schemes and accordingly investment on minor irrigation schemes is being increased. During 2006-07, Rs. 110 crores were allocated for minor irrigation schemes and this has been substantially increased to Rs. 163 crores in the year 2007-08. More than 5 lakh ha. of additional irrigation potential can be created during 11th Five Year Plan period for which an investment of about Rs. 7000 crores would be required. We need Govt. of India support in this regard.

17. We have taken up Swarnrekha Multipurpose Project. It aims to provide irrigation facilities in poverty stricken tribal areas of Jharkhand and its neighboring states. It will provide irrigation to 2.65 lakh ha. of predominantly tribal land in

the States of Jharkhand, Orissa and West Bengal. It will help the State to achieve the targeted growth rate of 6.3% for the agriculture sector. We hope that the Swarnrekha Multipurpose Project would be taken up as a National Project and financial assistance would be made available accordingly.

18. At present, in Jharkhand 6 irrigation projects are receiving assistance under the AIBP programme. As per existing policy of MoWR, new projects under AIBP are sanctioned only after completion of the previously sanctioned AIBP projects. Jharkhand has a large number of incomplete projects which fulfill the criteria for inclusion under AIBP, but they are not being included in view of the existing policy. We have requested earlier that this policy needs to be changed. We welcome the suggestion of sub-committee recommending for change in AIBP norms.

19. I would like to mention that Jharkhand has around 30% of its land under forest cover as against the national average of 23%. The sites selected for implementation of many irrigation schemes include forest land. But these schemes

can not be implemented because of various provisions of Forest Conservation Act, 1980. The State is experiencing great difficulty in locating land for compensatory afforestation. Govt. of India should consider amending the Forest Conservation Act. It should not be made applicable to those projects which were sanctioned before the coming into force of this law and, for new projects, state specific compensatory afforestation norms should be formulated keeping in view the present status of development in the State, its development needs and the existing forest coverage.

20. In order to boost agricultural production, priority is being given to agriculture and irrigation related schemes in various rural employment programmes of Department of Rural Development such as NREGA etc. also.

21. Most of the land in the State is upland and these uplands are highly suitable for horticulture. In order to encourage floriculture, a Plant Research Centre has been set up by Florence Flora, Bangalore on PPP mode on the basis of MoU signed with the State Govt. and 3 additional Plant Research Centres are also being set up. The farmers will get

training and planting materials on subsidised rates and due to buy back agreement with Florence Flora, the farmers will not have marketing problem.

22. At present, National Horticulture Mission Project is being implemented in 10 districts of the State. From time to time, the officials of Ministry of Agriculture, Govt. of India have expressed satisfaction on the implementation of this programme in the State. There is however, need to extend this project to other districts of the State. The State Govt. has requested for approval of Govt. of India to extend this project to 6 more districts. I would request that a decision should be taken in this regard early.

23. There is a great scope for development of fisheries in the State. Jharkhand has huge water resources spread over 1,32,676 ha. in the form of ponds, bandhs, water bodies and lakes. These can be utilised for development of fisheries. The farmers are being encouraged for development of fisheries in the State and for this financial assistance has also been provided. During 10th Plan period, fish production in the state increased from 14 thousand MT to 55 thousand MT.

However, in order to further increase fish production, investments of approximately Rs. 989 cr. are required for digging new ponds, renovation of old ponds so that the fish demand in the State could be met. We request Govt. of India to participate in funding this.

24. There is great scope for milk production in the State with huge viable market. During 10th Plan period, the milk production in the State increased from 9.51 lakh MT to 13.6 lakh MT. 14 milk processing and chilling plants and 55 milk cattle development centres have been established in the State. During 11th Plan period, in order to increase milk production, programmes such as breed improvement is proposed to be taken up.

25. Breed improvement is a major concern for the State. The National Project for Cattle and Buffalo breeding should specially earmark funds for the State. The schemes under IDDP (Intensive Dairy Development Programme) of Govt. of India, should be sanctioned for the State and the ceiling of Rs. 3 cr. financial limit for districts should be relaxed for under developed States.

26. Cattle insurance scheme should cover all the districts of Jharkhand and small animals (goats, pigs etc.) should also be covered under this scheme.

27. Self Help Groups (SHGs) and small co-operatives functioning at village level should be encouraged to take up poultry for livelihood. The recommendation of sub group to extend financial assistance and other inputs should be accepted.

28. The agriculture loans provided by different banks in the State are insufficient and not commensurate with the requirements. In the Annual Credit Plan prepared by the banks for the year 2006-07, the target was put at Rs. 7555 cr., out of which agricultural loan was Rs. 890 cr. i.e. 11.78% of the total target. This was far below the National Bench Mark of 18%. The achievement under agricultural loan was still lower i.e. Rs. 714 cr. We feel that special efforts should be made by the banks in the State to provide loans for development of agriculture. During 11th Five Year Plan, emphasis is being given to increase growth in agricultural sector. In this context, the sub committee was constituted to

give recommendations to achieve the targeted growth rate. If the position for grant of agricultural loans by the banks in the State does not improve, it will adversely affect the agricultural development in the State. The Govt. of India is requested to give suitable directions to the banks to achieve the National Bench Mark in the agricultural sector.

29. We agree to the recommendations of the sub-committee on "Credit and Risk Management" in relation to Agriculture Sector. The recommendation of Vaidyanathan Committee regarding short term Co-operative Credit Structure is under consideration of the State Govt. The State Govt. wants to establish an apex Co-operative Bank which will work as a Single Window System for small, medium and long term loans. The apex Bank could not be established as Reserve Bank of India does seem to be inclined to issue the license. We request Govt. of India to intervene in this matter. The farmers in the State are unable to get loan through NABARD due to the absence of Apex Co-operative Bank in the State.

30. I hope that Govt. of India will pay due attention to the problems related to agriculture sector in the State and will

provide all possible technical and financial assistance to help exploit the Agriculture potential of the State.

In the end, I once again thank the Hon'ble Prime Minister for convening this meeting.

JAI HIND !
