



## ROLE OF B.S. YADIYURAPPA IN AGRICULTURAL DEVELOPMENT

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### ABSTRACT :

The focus of World Development Report on infrastructure during 2011-12. **B.S. YADIYURAPPA** was an important step towards underscoring its basic necessity in the process of economic growth in developing countries. Time and again it has been emphasised that infrastructure is the best conduit of development. However, the fact is obliterated due to other mounting pressures in the process of development. This happens mainly due to the intrinsic and indirect role that infrastructure plays in the process. To that extent even the academic studies on development process rarely underscored infrastructure as a major determinant of the process.



It is only in the recent past that this lacuna is identified strongly by the academicians and infrastructure became a major issue. This project was undertaken by me initially to highlight the role of infrastructure in agricultural development. Keeping in view the Low Level of Equilibrium Hypothesis of Nelson and theoretical backup provided by Theodore Shultz I thought of getting into the basic premises of infrastructure as major determinant of agricultural development. I preferred to hand over the project to **B.S. YADIYURAPPA** who has been recently transferred to the Agricultural Development & Rural Transformation (ADRT) Unit. He took keen interest in undertaking this study which he completed single handedly with a lot of zeal and enthusiasm. He has reviewed significant literature as well as analysed volumes of data to produce this fine document. **the B. S. Yadiyurappa Agreculture trade reform to better integrated this sector in to global markets is equally crucial developmental countries** Agriculture sector plays a major role in the development of the State. Several innovative schemes are being implemented to encourage agriculture sector. Farm loans are being extended at the lowest interest rate of 1%. An exclusive and separate Agriculture Budget is presented for the over all development of farm sector.

**KEY WORDS:** academicians and infrastructure ,  
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(ADRT).

### INTRODUCTION

Agricultural development is critical to developing countries, especially to the least developed of them. Although agriculture still remains the largest

employer, the largest source of exports and foreign exchange earnings for the most developing countries its contribution to GDP is declining gradually. About 75 percent of population below poverty line in the worldwide resides in rural areas and most of them are dependent on agriculture. While agriculture declines relative to the rest of a growing economy as incomes improves, its growth is absolutely critical in the early stages of development and it can often drive export-led growth. But whatever the stage of development is the socioeconomic stability of a nation is determined by prosperity of agriculture sector. A vibrant agricultural sector is therefore crucial to reducing poverty through economic growth, as well as improving global food security and conserving natural resources. Agricultural trade reform, to better integrate this sector into global markets is equally crucial to developing countries for a number of reasons. Agriculture has the highest levels of trade distortions and therefore has the greatest potential for gains from reform. And domestic reforms are necessary to implement trade reforms to benefit developing countries more than developed countries. In recent years, agricultural protection and its impact on developing countries have attracted growing attention. While manufacturing protection has declined worldwide following substantial reforms of trade policies, especially in developing countries, most industrial and many developing countries still protect agriculture at high levels. Agricultural protection continues to be among the most contentious issues in global trade negotiations, with high protection in industrial countries. India has a large and diverse agricultural forte and is one of the world's leading producers of agricultural product. It is also a major consumer, with a growing population to feed. For this reason and because of its agricultural and trade policies, its presence in the world market has been modest in relation to the size of its agriculture. While it has been a small net agricultural exporter overall since 1990, in recent years there have been many changes in its agriculture and trade policies and significant changes in its net trade position for many individual products. Of late, development of exports of non - oil products have become one of the main objectives of economic development in India. Exports of agricultural products are the main part of exporting non - oil products in India, so agricultural products play a crucial role. It is necessary to consider sustainable development of all the sectors in India. Promotion of export of agricultural products is important in creating jobs and is a source of: income in the agricultural sector. It also can bring in foreign exchange to add to the economy.

### **AGRICULTURE: THE PROUD PROFESSION.**

Agriculture sector plays a major role in the development of the State. Several innovative schemes are being implemented to encourage agriculture sector. Farm loans are being extended at the lowest interest rate of 1%. An exclusive and separate Agriculture Budget is presented for the over all development of farm sector. Our's is the first government in the country which has taken these two important measures. The Government has continued the short-term loan facility from co-operative banks to weavers and fishermen at an interest rate of 3%.

In order to popularise Organic farming among the farmers, a new programme called 'CM's visit to village once in a month' has been started. Under this programme, the Chief Minister has been directly interacting with the organic farmers regularly. This programme has become one of the most popular programmes in the State. Karnataka Agri-business Development Policy has been formulated. Preparations are under way to organize conduct Global Investors Meet for Agriculture.

- For the first time in the history of Indian States, a separate Agricultural Budget of more than Rs.17,000 crore presented along with Annual Budget of 2011-12.
- Many new schemes including 'SuvarnaBhoomi' which provides for an incentive of Rs.10,000 to 10 lakh Small and Marginal Farmers across the State have been announced in the Budget. Orders have already been issued for the implementation of these new schemes.

- The State has achieved a record food grains production of 130 lakh ton during 2010-11.
- Farm mechanization implements like power tiller, diesel pumpsets worth more than Rs.108 crore have been distributed to 84,467 beneficiaries across the state.
- Rs.83.56 crore has been spent towards crop insurance scheme.
- Sujala Watershed Scheme is being implemented in the 6 rain dependent districts. Around 41 thousand hectares of land has been developed under this scheme at a cost of Rs.97 crore. The scheme has bagged three national awards.
- 30,735 Krushi Hondas (Farm Ponds) have been constructed at an expenditure of Rs.30 crore under SuvarnaKrishi Honda Yojane.
- 20 lakh farmers practicing dry-land farming were extended financial incentive of Rs.1,000 each as one time benefit and Rs. 200 crore was allocated for this programme during 2009-10.

About 7.02 lakh quintals of subsidized seeds worth Rs.89 crore have been distributed to more than 27 lakh beneficiaries.

**Distribution of Seeds at subsidized price (Rs.in crores)**

2007-08	2008-09	2009-10	2009-10	Total
108.34	59.03	+ 226.57	+ 98.00	383.60

- The yield in the dry lands has increased between 25 to 40% after the implementation of Bhoo-Chethana Scheme. This programme is under implementation in an area of 12 lakh hectares in 90 taluks coming under 16 districts. Bhoo-Chethana Scheme will be extended to an area of 45 lakh hectares covering all districts.
- Organic Farming Mission has been constituted for the first time. 83,000 farmers have been enrolled for adopting Organic Farming practices. Rs.10.50 crores spent. 76,000 hectares have been brought under organic farming, which has resulted in the reduction in use of chemical fertilizers.
- Drip irrigation has been made compulsory to preserve under ground water and minimize the consumption. Antharaganga Micro Irrigation Corporation is being constituted to extend technical assistance and subsidy to farmers.
- 245 KrishiMelas (Agri – fairs) have been organized by spending Rs. 14 crore.

District	Taluk	Hobli	Total
20	85	140	245

- Free electricity up to 10 HP IP sets for 18 lakh farmers. Rs. 2,300 crore spent towards free electricity supply.

**Free electricity supply**

Year	2008-09	2009-10	2010-11
Farmers	17,53,875	18,21,958	18,45,836

**2. Co-operation for All**

Karnataka has the distinction of starting the first co-operative society in the entire country. The first co-operative society was started in 1905 in the State. At present there are 35,000 Co-operative societies in the State with a membership of over 2 crore. The total revolving fund and share capital of these societies is Rs.38,000crore and Rs. 3,171 crore respectively.

**Farm Loan at 3% interest (at the end of 30-04-2011 / Rs. in crores)**

	Farmers		Weavers		Fishermen	
	Beneficiaries	Loan Amount	Beneficiaries	Loan Amount	Beneficiaries	Loan Amount
2008-09	13,19,344	3,582.7	3,141	21.84	3789	6.53
2009-10	13,22,215	3,886.61	4,763	31.66	328	2.4
2010-11	14,32,150	4,647.08	107	04.23	33	0.65

- At the end of the financial year 2010-11, 14.32 lakh farmers have received farm loans to the tune of Rs. 4,647 crore.
- Over 9.68 lakh beneficiaries have so far been treated as out patients under Yashaswini Health Insurance Scheme. 3.46 lakh beneficiaries were operated upon. Rs. 309.89 crore spent for the treatment as well as surgeries.

**Beneficiaries under Yashaswini Scheme (At the end of 30-4-11)**

Year	Out-patients	Operations	Expenditure
2008-09	+1,91,109	+75,053	+61.03
2009-10	+1,34,534	+66.833	+53.63
2010-11	+1,41,491	+60,658	+47.38
<b>Total</b>	<b>4,61,134</b>	<b>2,02,544</b>	<b>162.01</b>

- 12,400 Milk Co-operative Unions newly started since 2008.
- E-Tendering introduced by 45 APMCs in the State by spending Rs. 16.86 crore.
  - 19.78 farmers have been issued Kissan Credit Cards.
  - 1,76,417 Self-Help groups have been formed through Agriculture Co-operative Societies and D.C.C Banks. Rs. 343 crore collected.
  - Karnataka Co-operative Society Act has been amended and the new act introduced.

**Kissan Credit Card (At the end of 31/03/2011)**

Year	Card holders	Increase
2006-07	13,51,556	1,10,113
2007-08	14,39,516	86,791
2008-09	16,65,866	2,27,519
2009-10	17,88,921	1,51,871
2010-11	19,77,714	1,59,975

- Karnataka Government has extended a financial assistance of Rs. 400 crore as Deposit Fund to Marketing Federation during 2010-11. Financial assistance has been increased to Rs. 550 crore for the year 2011-12.
- 55 warehouses are being constructed with a capacity of 1.50 lakh metric tons.
- Construction of 28 warehouses of 84 thousand metric ton capacity is completed with a cost of Rs.401 crore. The remaining 27 warehouse buildings are at the final stage.

**Horticulture**

- During 2010-11 under National Horticultural Mission Rs.119.36 crore released, 125.10 crores spent. 117.60 released for Micro Irrigation.

- New Horticulture College started at Kolar. Rs. 3.75 crore spent. New University of Horticultural Sciences started at Bagalkot. Rs. 21 crore spent.
- New Horticultural Colleges have been established in Bidar, Bagalkot, Mysore, Sirsi, Hiriya and Koppal.
- New Wine Policy implemented. Encouragement for processing. Rs. 50 lakh spent.
- The area under horticultural crops has been expanded by about 1 lakh hectares during 2010-11. This has resulted in the increased production of 11.42 lakh ton horticultural crops.
- The total value of horticultural crops exported from state has touched Rs.3,557crore.
- Karnataka State Mango Development and Marketing Board started.
- An exclusive research station has been established at Sringeri to control Yellow Leaf Disease affecting arecanut plantations. Rs.2 crore provided for this purpose.

### Fisheries

- Rs. 20 crore spent towards production of fish seeds. Under Inland Fisheries Development Scheme, Rs. 20 crore is spent for developing of fish seeds.
- Rs. 10 crore allocated for developing Koderi Fishing Port – Rs.8.22 crore spent.
- Sales Tax exempted Diesel supplied to Mechanized fishing boats has been enhanced to 95,000 Kilo Litres from 85,000 K.Ls. 3,300 fishermen benefited.
- 178 Ice Plants and Cold Storages, received a power subsidy of Rs. 4.32 crore.
- 8 crore fingerlings have been stocked in 482 tanks and reservoirs at an expenditure of Rs.8 crore.
- MatsyaMela (Fish Fair) organized at Bangalore Palace Grounds was a success.
- Construction of 63 M.length break water/ Groyne with an outlay of Rs.300.00 lakhs has been taken up in Gangolli fishing harbour.
- Around Rs.5 crore was spent for maintenance of link roads of coastal districts.
- Under Centrally sponsored scheme of Motorization of traditional boats, 400 fishermen were provided a subsidy of Rs.30,000/- each.

### Incentive for Milk Production

The production of milk in the State has increased by 5 lakh litres (an increase of 14%) after the introduction of financial incentive scheme. The collection of milk in the societies has touched an all time high of 41 lakh litres a day. Women Co-operative Society Milk Producers are getting 4.5 rupees as incentive per litre of milk (Rs.2 from the Government and Rs. 2.50 from KMF).

- Under the milk incentive scheme, a sum of 616.28 Crore has been provided to 2 lakh women milk producers co-operative societies.
- 84 retired Veterinary Doctors have been re-appointed on contract basis to meet the shortage of staff during 2008-09.
- 113 Veterinary Doctors have been appointed through direct recruitment during 2009-10.

### CONCLUSIONS

Our Government is successfully utilising the services of various subject experts to bring about needy changes. Many task forces have been constituted under the guidance of these experts and various developmental programmes are being implemented. Reputed Industrialists, Experts from reputed institutions like IIM, IISC, etc are guiding our government in their capacity as Chairman are members of various task forces. Though Karnataka State has achieved an impressive growth rate in the overall infrastructural development compared to other states in the country, the agricultural infrastructure development is not evenly

distributed within the State. Assuming that the level of agricultural growth rate has a positive strong correlation with the overall development in general and the agricultural development in particular, the unequal distribution of infrastructure would result in regional imbalances affecting the welfare of the individuals. This provides a strong case for increasing the level of agricultural infrastructure in some of the districts that we have identified as lacking adequate level of infrastructure. One of the limitations of our study is that the methodology that we have used has not suggested any optimum level of infrastructural facilities required in the agricultural sector in the State.

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