

Q. The State of capital formation in agriculture has been a subject of debate. In this context, Evaluate the performance of the Rashtriya Krishi Vikas Yojana. (150W)

Capital Formation is the net accumulation of assets. It's state in agriculture is decreasing.

DATA :- Gross Capital Formation in Agriculture

(GCA) - In 2013-2014 is 17.5% to 15.7% in 2020-21.

CAPITAL FORMATION IN AGRICULTURE

FOR	AGAINST
* Strengthens <u>Food Security</u>. * Enhances <u>Livelihood of poor farmers</u>. * <u>Topography-based Development</u>. * Asserts <u>Agriculture as the backbone of India</u>.	* Agri-Sector is <u>volatile</u> in nature. Hence, it's not a <u>good investment</u>. * <u>50% of Indians</u> work in <u>Primary Sector</u>. Hence, <u>Investment alone cannot induce improvement</u>. * <u>Dominant sectors</u> will <u>lose attention</u>. Ex:- Service, Textile.

RASHTRIYA KRISHI VIKAS YOJANA (RKVY) :-

It is a National Agriculture Development Program launched in 2007 by Ministry of Agriculture and Farmers Welfare. (MoAFW).

- Promote Investment on Infrastructure for Agri and allied - activities.
- Induces Agri-entrepreneurship.
- Increases Production.
- Meets Research and Development (R&D).

PERFORMANCE :-

It plays a average role due to,

- 50% Fund relaxation during Covid -19.
- Withdrawal of Centre from full-time Investor to Supervisor.
- Inadequate funds due to ~~to~~ Huge expenditure.

Ex :- Cold Storage, electricity.

CONCLUSION:-

→ Agri-sector should be Incentivized & Innovated and RKVY should be Strengthened & Decentralized.