

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
STARRED QUESTION NO. 44
TO BE ANSWERED ON 04/02/2022

DOUBLING FARMERS' INCOME

*44. SHRI BRIJLAL:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to State?

- (a) the efforts being made by Government to double the income of farmers and provide them with necessary facilities and security; and
- (b) the details of changes brought about in the lives of farmers during the last five years, the details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI NARENDRA SINGH TOMAR)

- (a) & (b): A Statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) TO RAJYA SABHA
STARRED QUESTION NO. 44 DUE FOR REPLY ON 4TH FEBRUARY, 2022**

(a) & (b): The Government has adopted several developmental programmes, schemes, reforms and policies that focus on higher incomes for the farmers. All these policies & programmes are being supported by higher budgetary allocations, non-budgetary financial resources such as creating Corpus Funds like Micro Irrigation Fund etc. There have been several reforms to unleash the potential, e.g. Formation and Promotion of 10,000 FPOs along with necessary financial support under Atma Nirbhar Package (Agriculture). Under Atma Nirbhar Bharat special attention is being paid for creation of infrastructure for which “ Agri Infrastructure Fund (AIF) has been created with a size of Rs. 100,000 crore. Other special initiatives include Supplementary Income transfers under PM-KISAN; Pradhan Mantri Fasal Bima Yojna (PMFBY); Pradhan Mantri Krishi Sinchai Yojana (PMKSY); Increase in Minimum Support Price (MSPs) for all Kharif & Rabi Crops ensuring a minimum of 50 percent of profit margin on the cost of production, Bee-Keeping; Rashtriya Gokul Mission; Blue Revolution; Interest Subvention Scheme; Kisan Credit Card (KCC) that now offers production loan to even dairy & fishery farmers besides agricultural crops etc. The adoption of Drone technologies in agriculture has a potential to revolutionize the Indian agriculture and ensure country’s food security. In order to make Drone technology affordable to the farmers and other stakeholders of this sector, financial assistance @ 100 % cost of drone together with the contingent expenditure is extended to ICAR/SAU/ State governments/ State government Institutions under Sub-Mission on Agricultural Mechanization (SMAM) for its demonstration on the farmer’s fields. A list of interventions is at Annexure-I and a list of achievements is at Annexure-II.

List of various interventions and schemes launched for the benefit of farmers

- (i) **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN):** With a view to provide income support to all farmers' families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs, the Central Government started a new Central Sector Scheme, namely, the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN). The scheme aims to provide a payment of Rs. 6000/- per year, in three 4-monthly instalments of Rs. 2000/- to the farmers families, subject to certain exclusions relating to higher income groups.
- (ii) **Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY):** Further with a view to provide social security net for Small and Marginal Farmers (SMF) as they have minimal or no savings to provide for old age and to support them in the event of consequent loss of livelihood the Government has decided to implement another new Central Sector Scheme i.e. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY) for providing old age pension to these farmers. Under this Scheme, a minimum fixed pension of Rs. 3000/- will be provided to the eligible small and marginal farmers, subject to certain exclusion clauses, on attaining the age of 60 years.
- (iii) **Pradhan Mantri Fasal Bima Yojana (PMFBY):** With a view to provide better insurance coverage to crops for risk mitigation, a crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched from Kharif 2016 season. This scheme provides insurance cover for all stages of the crop cycle including post-harvest risks in specified instances, with low premium contribution by farmers. During this period nearly Rs. 21450 crore were paid by farmers as their share of premium against which claims of over Rs.101875 crore (Provisional) have paid to them. Thus for every 100 rupees of premium paid by farmers, they have received Rs. 475 as claims.
- (iv) **Minimum Support Price (MSPs):** Giving a major boost for the farmers' income, the Government has approved the increase in the Minimum Support Price (MSPs) for all Kharif & Rabi crops.
 - Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of at least 50 per cent over all India weighted average cost of production from 2018-19.
 - MSP for Paddy has increased to Rs. 1868 per quintal in 2020-21 from Rs. 1310 per quintal in 2013-14 marking an increase of 43%.

- MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 1975 per quintal in 2020-21.

- (v) **Soil Health Cards:** Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized. Soil health cards have been issued free of cost to nearly 11 crore farmers under a nationwide program.

- (vi) **“Per drop more crop”** initiative under which drip/sprinkler irrigation is being encouraged for optimal utilization of water, reducing cost of inputs and increasing productivity. Per Drop More Crop component of Pradhanmantri Krishi Sinchai Yojana (PMKSY_PDMC) aims to increase water use efficiency at the farm level through Micro Irrigation technologies, i.e., drip and sprinkler irrigation systems. Under the scheme an area of 20.39 lakh hectare has been covered and about 16 lakh farmers were benefited under micro-irrigation during 2019-20 & 2020 – 21. An amount of Rs. 5262.20 crore has been provided to states as central assistance under PMKSY-PDMC during 2019-20 and 2020-21. For the year 2021-22, an amount of Rs. 4000.00 crore (B.E.) has been allocated for implementation of the scheme and an amount of Rs. 351.50 crore released to States so far.

- (vii) **“Paramparagat Krishi Vikas Yojana (PKVY)”** - Paramparagat Krishi Vikas Yojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. Two-year achievement under PKVY scheme, 19043 clusters have been formed and an area of 3.81 lakh ha has been covered benefitting 9.52 lakh farmers. In addition, under Namami Gange Programme 123620 ha area covered and under natural farming 4.09 lakh ha area covered.

- (viii) **National Agriculture Market (e-NAM) scheme:** Launch of e-NAM initiative to provide farmers with transparent and competitive online trading platform.
 - In 18 states and 03 UTs, 1000 markets have already been integrated with the E-NAM Platform.
 - As on 05.01.2022, total volume of 5.27 crore MT & 11.68 crore numbers (Bamboo, Betel Leaves, Coconut, Lemon & Sweet corn) with collective worth of approximately Rs. 1.68 lakh crore of trade has been recorded on e-NAM platform. Till date, more than 1.72 crore farmers have been registered on e-NAM platform.

- (ix) **Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PMAASHA):** Giving a major boost to the pro-farmer initiatives, the Government has approved a new Umbrella Scheme ‘Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PMAASHA)’. The

Scheme is aimed at ensuring remunerative prices to the farmers for the produce as announced in the Union Budget for 2018. This is an unprecedented step taken by Govt. of India to protect the farmers' income which is expected to go a long way towards the welfare of farmers.

- (x) **Price Support Scheme (PSS):** Increase in procurement under PSS:- The procurement of Pulses, oilseeds and copra at MSP under Price Support Scheme (PSS) has increased upto to 167.05 LMT during 2014- 15 to 2021-22(upto 22.07.2021). Moreover, 16.83 LMT of oilseeds had also been procured under Price Deficiency payment Scheme (PDPS) in 2018-19. In addition to this around 15.53 LMT of Pulses has also been procured at MSP under Price Stabilization Fund (PSF) under administrative control of Department of Consumer Affair.
- (xi) **Mission for Integrated Development of Horticulture (MIDH):** Bee keeping has been promoted under Mission for Integrated Development of Horticulture (MIDH) to increase the productivity of crops through pollination and increase the honey production as an additional source of income of farmers.
- (xii) **Institutional Credit for Agriculture:** To ensure flow of adequate credit, Government sets annual target for the flow of credit to the agriculture sector, Banks have been consistently surpassing the annual target. The agriculture credit flow target has been set at Rs. 13.50 lakh crore for the F.Y. 2019-20, Rs. 15.00 lakh crore for F.Y. 2020-21and Rs. 16.50 lakh crore for FY 2021-22.
- (xiii) **Interest Subvention Scheme:** Extending the reach of institutional credit to more and more farmers is priority area of the Government and to achieve this goal, the Government provides interest subvention of 2% on short-term crop loans up to Rs. 3.00 lakh. Presently, loan is available to farmers at an interest rate of 4% per annum on prompt repayment.
- (xiv) Further, under Interest Subvention Scheme 2018-19, in order to provide relief to the farmers on occurrence of natural calamities, the interest subvention of 2% shall continue to be available to banks for the first year on the restructured amount. In order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against negotiable receipts, the benefit of interest subvention will be available to small and marginal farmers having Kisan Credit Card for a further period of upto six months post harvest on the same rate as available to crop loan.
- (xv) **Kisan Credit Card (KCC):** The Government has extended the facility of Kisan Credit Card (KCC) to the farmers practicing animal husbandry and fisheries related activities.

All processing fee, inspection, ledger folio charges and all other services charges have been waived off for fresh renewal of KCC. Collateral fee loan limit for short term agri-credit has been raised from Rs. 1.00 lakh to Rs. 1.60 lakh. KCC will be issued within 14 days from the receipt of completed application.

- (xvi) Several market reforms related programmes and policies have been rolled out to facilitate farmers and producers with remunerative price for their produce.

(xvii) Creating of Corpus Fund

- a. Micro Irrigation Fund – Rs. 10,000 crore
- b. Agriculture Infrastructure Fund of Rs. One Lakh Crore –

- (xviii) **Farmers' Producer Companies (FPOs):** Formation and Promotion of Farmers' Producer Companies (FPOs) to form and promote 10,000 FPOs.

Achievements

(i) Unprecedented enhancement in budget allocation

In the year 2013-14, the Budget allocation for Department of Agriculture was only Rs. 21933.50 crore. This has been increased by more than 5.5 times to Rs. 1,23,017.57 crore in 2021-22.

(ii) Record food grains and horticulture production

Food grain production has increased from 265.05 million tonnes in 2013-14 to record 305.43 million tonnes in 2020-21 (Third advance estimate) which is the highest ever food grain production. Horticulture production has increased from 280.99 million tonnes in 2014-15 to 320.48 million tonnes in 2020-21 (2nd advance Estimate) which is the highest ever for Indian horticulture.

(iii) Fixing of MSP at one-and-a half times the cost of production –

- Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of at least 50 per cent over all India weighted average cost of production from 2018-19.
- MSP for Paddy has increased to Rs. 1940 per quintal in 2021-22 from Rs. 1310 per quintal in 2013-14 marking an increase of 48%.
- MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 2015 per quintal in 2021-22.

(iv) Income support to farmers through PM KISAN

Launch of PM-KISAN in 2019 -an income support scheme providing Rs. 6000 per year in 3 equal instalments. A total of **Rs. 1.8 lakh crores** have been released so far to more than **11.7 crore farmer families**.

(v) Pradhan Mantri Fasal Bima Yojana (PMFBY)

PMFBY was launched in 2016 addressing problems of high premium rates for farmers and reduction in sum insured due to capping. In past 5 Years of implementation – 29.29 crore farmer applicants enrolled and over 8.99 crore (Provisional) farmer applicants have received claims of over Rs. 103903 crore. During this period nearly Rs. 21448 crore were paid by farmers as their share of premium against which claims of over Rs. 103903 crore (Provisional) have paid to them. Thus for every 100 rupees of premium paid by farmers, they have received Rs. 484 as claims.

(vi) Institutional credit for agriculture sector

- Increased from Rs.7.3 lakh crore in 2013-14 with a target to reach Rs. 16.5 lakh crore in 2021-22.
- Benefit of concessional institutional credit through KCC at 4% interest per annum has also now been extended to Animal Husbandry and Fisheries farmers for meeting their short-term working capital needs.
- A special drive has been undertaken since February 2020 to provide concessional institutional credit with focus on covering all PM-KISAN beneficiaries through Kisan Credit Cards (KCC). Till date, 270.29 lakh new KCC have been issued with sanctioned amount of Rs.2,88,832 crore.”

(vii) Providing Soil Health Cards to farmers

Soil Health Card Scheme was introduced in the year 2014-15 to optimize usage of nutrients. Soil health cards have been issued free of cost to nearly 11 crore farmers under a nationwide program.

(viii) Promotion of organic farming in the country

- Paramparagat Krishi Vikas Yojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. Two-year achievement under PKVY scheme-19043 clusters have been formed and an area of 3.81 lakh ha has been covered benefitting 9.52 lakh farmers. In addition, under Namami Gange Programme 123620 ha area covered and under natural farming 4.09 lakh ha area covered.
- Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 170 Farmer Producer Companies have been formed comprising of 1.55 lakh farmers and covering 1,55,495 ha area.
 - In addition, to facilitate organic certification at affordable cost and easy to adopt approaches, a New Participatory Guarantee System (PGS) certification was launched during 2015. This PGS system is unique in the world and is the largest participatory organic certification programme in the world. Around 11 lakh small and marginal farmers are certified under PGS certification. A Jaivik kheti portal has been initiated to assist the small and marginal farmers in selling their organic products directly to consumers. As of now, around 5.56 lakh farmers are registered on the portal. In addition, quick certification of default organic areas such as islands, remote, hilly areas have been initiated under the Large Area Certification programme. This will enable small farmers to market certified products immediately without waiting for the normal certification period of 3 years. Around 14445 ha in Car Nicobar Islands of the Andamans is now certified under the programme helping marginal farmers in the area for marketing certified products. Proposal of 5000 ha area has been received from

Ladakh under LAC and fund Rs 11.475 lakh has been released. The entire cultivable land of 2700 ha area of Lakshadweep have been certified organic under Large area certification. Support for individual farmers for certification has also been introduced to encourage farmers to take up organic farming.

(ix) Neem Coating of Urea

Neem Coated Urea has been introduced since 2015-16 to ensure long availability of nutrients in the soil by slow release of nitrogen. It has also helped in curtailing diversion of urea for non- agricultural activities.

(x) Agri Infrastructure Fund (AIF)

Within a year of the launch of AIF, the scheme mobilized Rs.7700 Crore worth agriculture infrastructure in the country for more than 7300 projects. With the support of the scheme, various agriculture infrastructure was created and some of the infrastructure is at the final stage of completion. This infrastructure includes 3898 warehouses, 155 assaying units, 136 primary processing units, 135 sorting & grading units, 20 smart & precision agriculture projects and around 3000 other kind of post-harvest management projects and community farming assets.

(xi) Promotion of FPOs

- Scheme for Formation and Promotion of 10,000 FPOs launched with a total budgetary provision of Rs. 6865 Crore in February 2020.
- So far, more than 4965 FPO produce clusters have been allocated to respective Implementing Agencies (IAs).
- Cluster Based Business Organizations (CBBOs) have been empanelled by different IAs and already allocated blocks to them.
- At national level, a National Project Management Agency (NPMA) is engaged for providing overall project guidance, data maintenance through integrated portal and information management and monitoring.

(xii) A National Bee and Honey Mission (NBHM) has been launched in 2020 as part of the AtmaNirbhar Bharat Abhiyan. Rs.500 crore for the period 2020-2021 to 2022-2023 has been allocated for the sector.

(xiii) Per Drop More Crop component of Pradhan Mantri Krishi Sinchai Yojana (PMKSY-PDMC)

Per Drop More Crop component of Pradhanmantri Krishi Sinchai Yojana (PMKSY_PDMC) aims to increase water use efficiency at the farm level through Micro Irrigation technologies, i.e., drip and sprinkler irrigation systems. Under the scheme

an area of 20.39 lakh hectare has been covered and about 16 lakh farmers were benefited under micro-irrigation during 2019-20 & 2020 – 21. An amount of Rs. 5262.20 crore has been provided to states as central assistance under PMKSY-PDMC during 2019-20 and 2020-21. For the year 2021-22, an amount of Rs. 4000.00 crore (B.E.) has been allocated for implementation of the scheme and an amount of Rs. 779.18 crore released to States so far.

(xiv) **Micro Irrigation Fund**

A Micro Irrigation Fund of Rs 5000 crore has been placed with NABARD. In the Budget for 2021-22 the corpus of the fund has been increased to Rs.1000 crores. Projects worth Rs 3970.17 crore covering 12.83 lakh hectares have been approved.

(xv) **Agricultural Mechanization**

Agricultural mechanization is extremely vital to modernize agriculture and reduce drudgery of farming operations. During the period from 2014-15 to 2021-22 (as on 31.12.2021) an amount of Rs. 5130.61 crore have been allocated for agricultural mechanization. 13,78,755 numbers of machines and equipments have been provided to farmers on subsidy. 16,007 custom hiring centers, 378 high-tech hubs and 16,064 farm machinery banks have been established.

During the period from 2018-19 to 2021-22 (as on 31.12.2021), an amount of Rs. 2440.07 crore have been released to the States of Punjab, Haryana, Uttar Pradesh, NCT of Delhi and ICAR for crop residue management. 39,398 Custom Hiring Centers (CHCs) of crop residue management machines have been established in these States and a total of more than 2.00 lakh machines have been supplied to these established CHCs and individual farmers of these four States.

(xvi) **National Agriculture Market (e-NAM) scheme**

- In 18 states and 03 UTs, 1000 markets have already been integrated with the e-NAM Platform.
- As on 05.01.2022, total volume of 5.27 crore MT & 11.68 crore numbers (Bamboo, Betel Leaves, Coconut, Lemon & Sweet corn) with collective worth of approximately Rs. 1.68 lakh crore of trade has been recorded on e-NAM platform. Till date, more than 1.72 crore farmers have been registered on e-NAM platform

(xvii) **Promotion of Agri Start up**

646 start-ups in the agriculture and allied sectors have been selected for funding of a sum of Rs. 69.92 crore in instalments and Rs. 33.94 crore have been released to

respective KPs and RABIs for funding these start-ups. These start-ups were trained for two months at various agribusiness incubation centres i.e. Knowledge Partners (KPs) & RKVY-RAFTAAR Agribusiness Incubators (RABIs).

(xviii) **Promoting Use of Drones in Agriculture**

- The adoption of Drone technologies in agriculture have a potential to revolutionize the Indian agriculture and ensure country's food security. Accordingly, looking into the unique advantages of Drone technologies in agriculture, the Department of Agriculture & Farmers Welfare has released the Standard Operating Procedures (SOPs) for use of drones in pesticide and nutrient application in public domain 21.12.2021, which provide concise instructions for effective and safe operations of drones.
- In order to make this technology affordable to the farmers and other stakeholders of this sector, financial assistance @ 100 % cost of drone together with the contingent expenditure is extended to ICAR/SAU/ State governments/ State government Institutions under Sub-Mission on Agricultural Mechanization (SMAM) for its demonstration on the farmer's fields. In order to provide agricultural services through drone application, financial assistance @ 40% of the basic cost of drone and its attachments or Rs.4 lakhs, whichever less is also provided for drone purchase by existing and new Custom Hiring Centers (CHCs) under Cooperative Society of Farmers, FPOs and Rural entrepreneurs. The agriculture graduates establishing CHCs are eligible to receive financial assistance @ 50% or up to Rs.5 lakhs.
