

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

RAJYA SABHA
UNSTARRED QUESTION NO-2728
ANSWERED ON-24/03/2023

INCENTIVES TO STATES TO INCDREASE INVESTMENT IN AGRICULUTTE

2728. SHRI KANAKAMEDALA RAVINDRA KUMAR

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government is providing incentives to the States including Andhra Pradesh to increase investment in agriculture and allied sectors;
- (b) if so, the details thereof;
- (c) whether Government is taking steps/has taken steps to make the agricultural sector a major contributor in the GDP of the country; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (d): Agriculture being a State Subject, the State Governments take appropriate measures for development of agriculture in the State. However, Government of India supplements the efforts of States, including Andhra Pradesh, through appropriate policy measures and budgetary support and various schemes/ programmes. The various schemes/ programmes of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers, which are also instrumental in making agriculture a major contributor in the GDP of the country. These include:

1. Unprecedented enhancement in budget allocation

In the year 2013-14 the budget allocation of Ministry of Agriculture (including DARE) and Ministry of Fisheries, Animal Husbandry & Dairying was only 30223.88 crore. This has increased by more than 4.35 times to Rs. 1,31,612.41 crore in 2023-24.

2. 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 installments. More than Rs. 2.24 lakh crore has been released so far to more than 11 crore farmers as of now.

3. Pradhan Mantri Fasal Bima Yojana (PMFBY)

Six year - PMFBY was launched in 2016 addressing problems of high premium rates for farmers and reduction in sum insured due to capping. In past 6 Years of implementation – 37.66 crore farmer applications have been enrolled and over 12.38 crore (Provisional) farmer applicants have received claims. During this period nearly Rs. 25,174 crore were paid by farmers as their share of premium against which claims of over Rs. 1,30,185 crore (Provisional) have been paid to them. Thus for every 100 rupees of premium paid by farmers, they have received about Rs. 517 as claims.

4. Institutional credit for agriculture sector

- i. Increased from Rs. 7.3 lakh crore in 2013-14 with a target to reach Rs. 18.5 lakh crore in 2022-23.
- ii. 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.
- iii. 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). As on 30.12.2022, 389.33 lakh new KCC applications have been sanctioned with a sanctioned credit limit of Rs. 4,51,672 crore as part of the drive.

5. Fixing of Minimum Support Price (MSP) at one-and-a half times the cost of production

- i. 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.
- ii. MSP for Paddy (common) has increased to Rs. 2040 per quintal in 2022-23 from Rs. 1310 per quintal in 2013-14.
- iii. MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 2125 per quintal in 2022-23.

6. Promotion of organic farming in the country

- i. Paramparagat Krishi Vikas Yojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. 32,384 clusters have been formed and an area of 6.53 lakh hectare has been covered benefitting 16.19 lakh farmers. In addition, Under Namami Gange Programme 1.23 lakh hectare area covered and under natural farming 4.09 lakh hectare area covered. Farmers in Uttar Pradesh, Uttarakhand, Bihar and Jharkhand have taken-up organic farming on either side of the river Ganga to control river water pollution as well as to fetch additional income to farmers.
- ii. Government also proposes to promote sustainable natural farming systems through the scheme Bhartiya Prakratik Krishi Padhati (BPKP). The proposed scheme aims at cutting down cost of cultivation, enhancing farmer's income and ensuring resource conservation and, safe and healthy soils, environment and food.
- iii. Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 379 Farmer Producer Companies have been formed comprising of 1,89,039 farmers and covering 1,72,966 hectare area.

7. Per Drop More Crop: Per Drop More Crop (PDMC) scheme was launched in the year 2015-16 which aims to increase water use efficiency, reducing cost of inputs and increasing productivity at the farm level through Micro Irrigation technologies i.e. drip and sprinkler irrigation systems. So far, an area of 72 lakh hectare has been covered under Micro irrigation through the PDMC scheme from the year 2015-16.

8. Micro Irrigation Fund: A Micro Irrigation Fund of initial corpus Rs 5,000 crore has been created with NABARD. In the Budget Announcement for 2021-22, the corpus of the fund is to be increased to Rs.10,000 crore. Projects worth Rs 4,710.96 crore covering 17.09 lakh hectares have been approved.

9. Promotion of Farmer Producer Organisations (FPOs)

- i. A new Central Sector Scheme for Formation & Promotion of new 10,000 FPOs launched by Hon'ble Prime Minister on 29th February, 2020 with budget outlay of Rs 6865 Crore till 2027-28.
- ii. As on 30.11.2022, 4028 no. of FPOs have been registered under new FPO scheme.
- iii. Equity Grant of Rs. 65.33 Crore has been released to 1,730 FPOs as on 31.12.2022.
- iv. As on 31.12.2022, Credit Guarantee Cover worth Rs. 101.78 crore issued to 583 FPOs.

10. A National Beekeeping and Honey Mission (NBHM) has been launched in 2020 as part of the Atma Nirbhar Bharat Abhiyan to increase productivity of crops through pollination and increase in honey production as an additional source of income. Rs. 500 crore for the period 2020-2021 to 2022-2023 has been allocated for beekeeping sector. 114 projects for assistance of about Rs. 139.23 crore, approved/ sanctioned for funding under NBHM during 2020-21, 2021-22 & 2022-23 till date.

11. Agricultural Mechanization: Agricultural mechanization is an extremely vital to modernize agriculture and reduce drudgery of farming operations. During the period from 2014-15 to March, 2022 an amount of Rs.5,490.82 crore have been allocated for agricultural mechanization. 13,88,314 numbers of machines and equipments have been provided to farmers on subsidy basis. 18,824 custom hiring centers, 403 high-tech hubs and 16,791 farm machinery banks have been established to make available agricultural machines and equipments to the farmers on rental basis. During the current year i.e. 2022-23, so far an amount of Rs. 585.50 crore have been released for distribution of around 75,391 machines on subsidy, establishment of 3,468 CHCs, 64 Hi-tech hubs and 2281 Village Level Farm Machinery Banks.

12. Providing Soil Health Cards to farmers

Soil Health Card Scheme was introduced in the year 2014-15 to optimize usage of nutrients. The following numbers of cards have been issued to farmers;

- i. Cycle-I (2015 to 2017) – 10.74 crore
- ii. Cycle-II (2017 to 2019)- 12.19 crore
- iii. Model Village Programme (2019-20)- 23.71 lakh
- iv. In the year 2020-21- 11.52 lakh

- 13. Setting up of National Agriculture Market (e-NAM) extension Platform**
- i. 1260 mandis of 22 States and 03 UTs have been integrated to e-NAM platform.
 - ii. As on 31.12.2022, more than 1.74 Crore Farmers & 2.39 Lakh traders have been registered on e-NAM portal.
 - iii. Total volume of 7.07 Crore MT & 20.88 Crore numbers (bamboo, betel leaves, coconut, lemon & sweet corn) collectively worth approximately Rs. 2.42 lakh crore of trade has been recorded on e-NAM platform as on 31.12.2022.

14. Launch of the National Mission for Edible Oils – Oil Palm - NMEO has been approved with a total outlay of Rs 11,040 crore. This will bring an additional area of 6.5 lakh hectare under Oil Palm plantation with 3.28 lakh hectare in the north-eastern states and 3.22 lakh hectare in the rest of India in the next 5 years. The major focus of the Mission is to provide Viability Prices of fresh fruit bunches (FFBs) to the farmers linked with assured procurement by industry with a simpler price fixing formula.

15. Agri Infrastructure Fund (AIF): Since inception of AIF in the year 2020, the scheme has sanctioned an amount of Rs.16,117 crore worth agriculture infrastructure in the country for 22,354 projects. With the support of the scheme, various agriculture infrastructures were created and some of the infrastructure are at the final stage of completion. These infrastructures include 8,752 warehouses, 4,188 primary processing units, 2,635 custom hiring centres, 1,217 sorting & grading units, 859 cold store projects, 163 assaying units and around 4,257 other kinds of post-harvest management projects and community farming assets.

16. Improvement in farm produce logistics, Introduction of Kisan Rail: Kisan Rail has been launched by Ministry of Railways to exclusively cater to movement of perishable agrihorti commodities. First Kisan Rail was started in July 2020. Till 31st December, 2022, 2359 services on 167 routes have been operated.

17. MIDH - Cluster Development Programme

The Cluster Development Programme (CDP) is designed to leverage geographical specialisation of horticulture clusters and promote integrated and market-led development of pre-production, production, post-harvest, logistics, branding, and marketing activities. DA&FW has identified 55 horticulture clusters, of which 12 have been selected for the pilot phase of the CDP.

18. Creation of a Start-up Eco system in agriculture and allied sector

So far, 1102 Startups during FY 2019-20 to 2022-23 have been finally selected by different knowledge partners and agribusiness incubators of DA&FW. A total of Rs. 66.83 crore grants-in-aid has been released for funding to these Startups to the respective Knowledge Partners (KPs) & RKVY RAFTAAR Agri Business Incubator (R-ABIs) as grants-in-aid support by DA&FW.

19. Achievement in Export of Agri and Allied Agri- Commodities

The country has witnessed emphatic growth in export of agri and allied commodities. As compared to previous year 2020-21, the Agri and allied export has increased from 41.86 billion USD in 2020-21 to 50.24 billion USD in 2021-22 i.e. an increase of 19.99%.

20. Rashtriya Gokul Mission: The focus of the scheme is for development and conservation of indigenous bovine breeds and to undertake breed improvement programme for indigenous cattle breeds so as to improve their genetic makeup and increase the stock. Now, the scheme has slightly been restructured from 2021-22 to 2025-26. Under this scheme, breed improvement activity is supported through support to semen production facilities, bull production programme and breed multiplication farms. 50% capital subsidy is made available to entrepreneurs directly for breed multiplication farms for production and supply of high genetic merit heifers to farmers. The extension of artificial insemination coverage is undertaken primarily through incentives for AI technicians and promoting usage of sex sorted semen. Further, the scheme focuses on making available reproductive technologies at farmers' doorstep at affordable price.

21. National Programme for Dairy Development (NPDD): National Programme for Dairy Development (NPDD) is implemented across the country since February 2014 with an objective of creating/ strengthening of infrastructure for production of quality milk, Procurement, Processing and Marketing of Milk & Milk Products by the State Implementing Agency (SIA).

22. Dairy Processing & Infrastructure Development Fund (DIDF): The project focuses on building an efficient milk procurement system by setting up of processing and chilling infrastructure & installation of electronic milk adulteration testing equipment at village level.

23. Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities (SDCFPO): A Scheme named "Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities" was launched during 2017-18. The scheme is being implemented by National Dairy Development Board, an autonomous body under the Department. A corpus of Rs. 300 crore is kept in perpetuity with National Dairy Development Board (NDDDB) for providing soft loans for working capital to enable Cooperative Societies and farmer producer organizations engaged in dairy activities to provide stable market access to farmers.

24. National Livestock Mission: National Livestock Mission (NLM) scheme has been restructured from 2021-22 to 2025-26. The focus of the scheme is on entrepreneurship development and breed improvement in poultry, sheep, goat and piggery including feed and fodder development. The scheme is implemented with the following three Sub-Missions:

(I) **Sub-Mission on Breed Development of Livestock & Poultry:** The sub-mission proposes to bring sharp focus on entrepreneurship development and breed improvement in poultry, sheep, goat and piggery by providing incentivization to the individuals, FPOs, SHGs, Section 8 companies for entrepreneurship development and also to the State Governments for breed improvement infrastructure.

(II) **Sub-Mission on Feed and Fodder development:** This Sub-Mission aims towards strengthening of fodder seed chain to improve availability of certified fodder seed required for fodder production and encouraging entrepreneurs for establishment of fodder Block/Hey Bailing/Silage Making Units through incentivisation.

(III) **Sub-Mission on Extension and Innovation:** The sub-mission aims to incentivize Institutes, Universities, Organizations carrying out research and development related to sheep, goat, pig and feed and fodder sector, extension activities, livestock insurance and innovation

25. Livestock Health and Disease Control: A Centrally Sponsored Scheme “Livestock Health and Disease Control (LH&DC) Scheme” is being implemented to supplement the efforts of the State/UT Governments towards prevention, control and containment of animal diseases of economic and zoonotic importance, by vaccination. Now the scheme has been restructured from 2021-22 to 2025-26.

26. Animal Husbandry Infrastructure Development Fund: Under Atma Nirbhar Bharat Abhiyan stimulus package, Hon’ble Prime Minister announced setting up of Rs. 15000 crore Animal Husbandry Infrastructure Development Fund (AHIDF). AHIDF facilitates investments in the establishment of infrastructure for Dairy processing and value addition infrastructure, Meat processing and value addition infrastructure, Animal Feed Plant, Breed improvement Technology & Breed multiplication farm, Setting up of Veterinary Vaccine and Drugs Production Facilities and Animal Waste to Wealth Management (Agri waste management) by the Farmer Producer Organization (FPO), Private companies, Individual entrepreneurs, Section 8 companies and Micro Small and Medium Enterprises. Under this scheme the Central Government provides 3 percent interest subvention to the borrower and credit guarantee up to 25 percent of total borrowing.

27. Pradhan Mantri Matsya Sampada Yojana’ (PMMSY): Recognizing the immense potential in fisheries sector, the Government of India in May, 2020 with highest investment of Rs. 20,050 crore, launched a new flagship scheme ‘Pradhan Mantri Matsya Sampada Yojana’ (PMMSY) to bring about Blue Revolution through sustainable and responsible development of fisheries sector in the country. PMMSY is being implemented for a period of five years from 2020-21 to 2024-25 in all States and UTs. Under PMMSY during the FY 2020-21, 2021-22 and current financial year, proposals from 35 States/UTs have been approved at a total cost of Rs. 12069.86 crore with the total Central share of Rs. 4555.69 crore. Rs. 2166.74 crore has been released to the implementing agencies benefitting an estimated 10.21 lakh beneficiaries. The scheme has a pending committed liability of Rs. 2635.11 crore to be released to the states.

28. Fisheries and Aquaculture Infrastructure Development Fund (FIDF): In addition to the infrastructure support under PMMSY, the Department of Fisheries, Ministry of Fisheries, Animal Husbandry & Dairying in the year 2018-19 has created a dedicated fund namely, the Fisheries and Aquaculture Infrastructure Development Fund (FIDF) of Rs. 7522.48 crore to provide concessional finance to Eligible Entities (EEs) such as State/UT Governments including private and individual entrepreneurs for creation and strengthening of fisheries infrastructure. Under FIDF, so far, 121 public and private proposals worth Rs. 7649.58 crore has been approved.
