

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

RAJYA SABHA
STARRED QUESTION NO. 82
TO BE ANSWERED ON THE 09/02/2024

ACTION PLAN TO MAKE AGRICULTURE REMUNERATIVE

*82. DR. C.M. RAMESH :

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

(a) whether Government may consider to formulate any action plan to make agriculture remunerative and help the sector in contributing towards the growth of country's Gross Domestic Product (GDP), if so, the details thereof and if not, the reasons therefor; and

(b) whether Government propose to constitute a committee to examine the reasons behind agriculture labour being stagnant, no substantial increase in farmers income and to boost marketing, if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI ARJUN MUNDA)

(a) & (b): The statement is laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF RAJYA SABHA STARRED QUESTION 82 REGARDING “ACTION PLAN TO MAKE AGRICULTURE REMUNERATIVE” FOR REPLY ON 09.02.2024

(a) & (b): The Government of India had constituted an Inter-Ministerial Committee in April, 2016 to examine issues relating to “Doubling of Farmers Income (DFI)” and recommended strategies to achieve the same. The Committee submitted its report in September, 2018 containing the strategy for doubling of farmers’ income through various policies, reforms & programmes. To achieve the objective, the Committee identified following seven sources of income growth: -

- (i) Increase in crop productivity
- (ii) Increase in livestock productivity
- (iii) Resource use efficiency – reduction in cost of production
- (iv) Increase in cropping intensity
- (v) Diversification to high value agriculture
- (vi) Remunerative prices on farmers’ produce
- (vii) Shift of surplus manpower from farm to non-farm occupations

Accordingly, the Government has adopted and implemented several policies, reforms, developmental programmes and schemes for achieving higher incomes for the farmers directly or indirectly. The details of the schemes/ programmes of Ministry of Agriculture & Farmer’s Welfare for making farming more remunerative and make the farmers financially more secure are at **Annexure**. In addition to this, the Government has substantially enhanced the budget allocation of Ministry of Agriculture & Farmers Welfare from Rs. 27,662.67 crore during 2013-14 BE to Rs. 1,25,035.79 crore during 2023-24 BE. As a result, Gross Value Added (GVA) of Agriculture and Allied Sector has been growing at a rate of 4.4 percent per annum over the last eight years.

For the promotion of Farmer Producer Organisations (FPOs), the Government has launched the Central Sector Scheme (CSS) for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” in the year 2020. The scheme has a total budgetary outlay of Rs.6865 crores.

Agricultural mechanization is extremely vital to modernize agriculture and reduce drudgery of farming operations. During the period from 2014-15 to March, 2023 an amount of Rs.6405.55 crore have been allocated for agricultural mechanization. 15,23,650 numbers of machines and equipments have been provided to farmers on subsidy. 23,018 custom hiring centers, 475 high-tech hubs and 20,461 farm machinery banks have been established to make available agricultural machines and equipments to the farmers on rental basis. During 2023-24, Rs.252.39 Crore have been released to States for distribution of 37937 nos. of agricultural machinery, for establishment of 1916 custom Hiring Centres, 41 Hi-Tech Centres and 82 nos. of Farm Machinery Banks.

Department has also set up National Agriculture Market (e-NAM) extension Platform wherein 1389 Mandis of 23 States and 04 UTs have been integrated to e-NAM platform. (28

additional mandis have been integrated with e NAM which included J&K (6) Madhya Pradesh (3) Maharashtra (15) Uttrakhand (4). As on 31st Dec 2023, 1.76 crore Farmers & 2.50 Lakh traders have been registered on e-NAM portal. Total volume of 8.96 Crore MT & 30.99 Crore numbers (bamboo, betel leaves, coconut, lemon & sweet corn) collectively worth approximately Rs. 3.19 lakh crore of trade has been recorded on e-NAM platform.

Further, the Government of India is implementing various social security schemes for unorganised sector workers, including agriculture and rural workers. The details of such scheme are as under:

(i) Life and Disability cover is provided through Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). Risk coverage under PMJJBY scheme is for Rs. 2.00 Lakh in case of death of insured, due to any reason, at annual premium of Rs. 436/-. The risk coverage under PMSBY is Rs. 2.00 Lakh in case of accidental death or total permanent disability and Rs. 1.00 lakh for partial permanent disability due to accident at a premium of Rs. 20/- per annum.

(ii) The health and maternity benefits are insured through Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) under deprivation and occupation criteria. It provides health insurance coverage upto Rs. 5.00 lakhs per family for secondary and tertiary care related hospitalization.

(iii) In order to provide old age protection to unorganised sector workers, the Government of India had launched a pension scheme in 2019 namely Pradhan Mantri Shram Yogi Maan-dhan Yojana (PM-SYM) to provide a monthly pension of Rs. 3000/- after attaining the age of 60 years to unorganized workers.

Apart from above, other schemes such as Public Distribution System through One Nation One Ration Card scheme under National Food Security Act, Mahatma Gandhi National Rural Employment Guarantee Act, Deen Dayal Upadhyay Gramin Kausal Yojana, Pradhan Mantri Awas Yojana, Pradhan Mantri Gareeb Kalyan Rojgar Yojana, Mahatma Gandhi Bunkar Bima Yojana, Deen Dayal Antyodaya Yojana, PMSVANidhi, Pradhan Mantri Kaushal Vikas Yojana etc. are also available for the unorganized sector workers including agriculture and rural workers depending upon their eligibility criteria.

Schemes/ Programmes of Ministry of Agriculture & Farmers Welfare

1. Unprecedented enhancement in budget allocation

The Government has substantially enhanced the budget allocation of Ministry of Agriculture & Farmers Welfare from Rs. 27,662.67 crore BE during 2013-14 to Rs. 1,25,035.79 crore BE during 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. **2.81 lakh crore** has been released so far to more than **11 crore** farmers as on 30.11.2023.

3. Pradhan Mantri Fasal BimaYojana (PMFBY)

Seven year (Provisional) - PMFBY was launched in 2016 addressing problems of high premium rates for farmers and reduction in sum insured due to capping. In past 7 Years of implementation – 49.44 crore farmer applications enrolled and over 14.06 crore (Provisional) farmer applicants have received claims of over Rs. 1,46,664 crore. During this period nearly Rs. 29,183 crore were paid by farmers as their share of premium against which claims over Rs. 1,46,664 crore (Provisional) have been paid to them. Thus for every 100 rupees of premium paid by farmers, they have received about Rs. 502 as claims.

DigiClaim– For transparency in calculation and payment of claims, Claim Payment Module to workout claims and to transfer these claims directly to the farmer’s account is being done through National Crop Insurance Portal (NCIP) using PFMS platform. This initiative has been launched on 23rd March, 2023 for implementation from Kharif 2022 season claims onwards. All the claims are now been paid by insurance companies directly to farmers account through Digiclaim.

4. Institutional credit for agriculture sector

Increased from Rs. 7.3 lakh crore in 2013-14 to Rs. 21.55 lakh crore in 2022-23. 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). As on 05.01.2024, 465.42 lakh new KCC applications have been sanctioned with a sanctioned credit limit of Rs. 5,69,974 crore as part of the drive.

5. Fixing of Minimum Support Price (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 (common) has increased to Rs. 2,183 per quintal in 2023-24

from Rs. 1,310 per quintal in 2013-14. MSP for Wheat increased from Rs. 1,400 per quintal in 2013-14 to Rs. 2,275 per quintal in 2023-24.

6. Promotion of organic farming in the country

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.

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.

Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 379 Farmer Producer Companies have been formed comprising of 189039 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 81.87 lakh hectare has been covered under Micro irrigation through the PDMC scheme from the year 2015-16 and central assistance of Rs. 18,893.74 crore has been released.

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 crores. Projects worth Rs 4,710.96 crore have been approved so far.

9. The National Beekeeping and Honey Mission (NBHM) was launched in 2020 as part of the Atma Nirbhar Bharat Abhiyan with an outlay of Rs. 500.00 crore for the period of 3 years, i.e., 2020-21 to 2022-23, and the scheme has been extended for next three years, i.e., 2023-24 to 2025-26, with the remaining available budget of Rs. 370.00 crore from the allocated budget of Rs. 500.00 crore for the overall promotion and development of scientific beekeeping and to achieve the goal of "Sweet Revolution".

10. Namo Drone Didi:

The Government has also recently approved Central Sector Scheme for providing drones to the Women Self Help Groups (SHGs) with an outlay of Rs. 1261 Crores. The scheme aims to provide drones to 15000 selected Women SHGs for providing rental services to farmers for agriculture purpose (application of fertilizers and pesticides). Of the total 15,000 drones, first 500 drones will be procured by Lead Fertilizer Companies (LFCs) in 2023-24, using their internal resources for distribution to selected SHGs. Remaining 14500 drones will be provided under this scheme and Central Financial Assistance @ 80% of the cost of drone and accessories/ancillary charges up to a maximum of Rs. 8.0 lakhs will be provided to the women

SHGs for purchase of drones. The Cluster Level Federations (CLFs) of SHGs may raise the balance amount (total cost of procurement minus subsidy) as loan under National Agriculture Infra Financing Facility (AIF). Interest subvention @ 3% on the AIF loan will be provided to the CLFs. The scheme will help in infusing advance technology in agriculture for improved efficiency, enhanced crop yield and reduced cost of operation for the benefit of farmers. The scheme will also provide sustainable business and livelihood support to SHGs and they would be able to earn additional income of at least Rs. 1.0 lakh per annum.

11. 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:

Cycle-I (2015 to 2017) – 10.74 crore

Cycle-II (2017 to 2019)- 12.19 crore

Model Village Programme (2019-20)- 23.71 lakh

In the year 2020-21- 11.52 lakh

12. Launch of the National Mission for Edible Oils – Oil Palm

A new Centrally Sponsored Scheme namely, National Mission on Edible Oil (NMEO)- Oil Palm (NMEO-OP) has been launched during August, 2021 with the aim to enhance the edible oils availability in the country by harnessing Oil Palm area expansion, increasing CPO production and to reduce the import burden on edible oil. The Mission will bring additional area of 6.5 lakh ha under Oil Palm plantation with 3.28 lakh ha in north-eastern states and 3.22 lakh ha in Rest of India with a total outlay of Rs. 11,040 crore in next 5 years from 2021-22 to 2025-26.

13. KISAN Credit Card (KCC):

Department of Agriculture & Farmers' Welfare is implementing Modified Interest Subvention Scheme (MISS), a Central Sector Scheme, with a view to provide short term Agri-loans availed by farmers through KCC for their working capital requirements at concessional rate of interest. Under this scheme, farmers are given KCC loan at subvented interest rate of 7%. For this, at present, interest subvention of @1.5% is being given to financial institutions. Therefore, short term loans for Agriculture and other allied activities including animal husbandry, dairy, fisheries etc. upto Rs. 3.00 lakh is available to farmers at an interest rate of 7% per annum. Additional 3% prompt repayment incentive (PRI) is also given to the farmers for prompt and timely repayment of loans; thus reducing the effective rate of interest to 4% per annum. In case of short term loan availed for allied activities only (other than crop husbandry), the loan amount upto Rs. 2.00 lakh is available at the rate of 7%. Additional 3% PRI is also available on it.

To bring the maximum number of farmers under KCC so that they can get loan at a cheaper rate from institutional banking system, the Government has been running a campaign for Saturation of KCC to farmers since February, 2020 to cover all left over farmers with special focus on PM KISAN beneficiaries.

Under Atma Nirbar Bharat package, a target to cover 2.5 crore farmers with credit flow of about Rs.2.00 lakh crores was set. Special drive was undertaken to provide Kisan Credit Cards to eligible and willing farmers with special focus on PM KISAN beneficiaries. This enabled such farmers to gain access to institutional credit at concessional interest rate. Target to cover 2.5 crore farmers was achieved on 15.10.2021 and as on 05.01.2024, 465.42 lakh new KCC applications have been sanctioned with a sanctioned credit limit of Rs. 5,69,974 crore as part of the drive. Budget estimate for MISS under which KCC scheme operates has been allocated Rs. 23000 crores for the year 2023-24.

A revised KCC Saturation drive i.e. “Ghar Ghar KCC Abhiyan” has been launched with special focus to saturate PM KISAN beneficiaries. The main objective of this drive is to mobilise the potential farmers through a special drive under Block Level Bankers Committee to saturate PM KISAN beneficiaries with KCC and to enrol maximum number of farmers/PM KISAN beneficiaries under all types of KCC schemes (for Crop cultivation, Animal Husbandry, Dairy and Fisheries etc.).

14. Agri Infrastructure Fund (AIF):

A one Lakh Crore, Agriculture Infrastructure Fund (AIF) scheme was launched with an objective to mobilize a medium - long term debt financing facility for investment in viable projects for post-harvest management Infrastructure and community farming assets through incentives and financial support in order to improve agriculture infrastructure in the country. Interest Subvention and Credit Guarantee supports are being provided under Agri Infra Fund.

15. 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 agri-horti commodities. First Kisan Rail was started in July 2020. Till 28th February, 2023, 2359 services on 167 routes have been operated.

16. MIDH - Cluster Development Programme:

Details of physical progress under the major components of NHM/HMNEH scheme of MIDH from 2014-15 to 2023-24 (as on 30.12.2023) is as under:

- Area Expansion: - An additional area of 13.24 lakh ha. of identified horticulture crops has been covered. Nurseries: - 882 nurseries have been established for production of quality planting material.
- Rejuvenation: - An area of 1.44 lakh ha. of old and senile orchards has been rejuvenated.
- Organic Farming: - An area of 52108 ha. been covered under organic practices.
- Protected Cultivation: - An area of 3.13 lakh ha. has been covered under Protected Cultivation.
- Water Resources: - 51476 water-harvesting structures have been created.
- Beekeeping: - 15.94 lakh bee colonies with hives have been distributed.
- Horticulture Mechanization: -2.65 lakh horticulture mechanization equipment have been distributed.

- Post-Harvest Management Infrastructures: - 1.17 lakh post-harvest units have been established.
- Market Infrastructures: - 15522 market infrastructures have been set up.
- Training of Farmers: - Under HRD, 9.31 lakh farmers have been trained under various horticulture activities.

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

So far, 1259 Start-ups during FY 2019-20 to 2023-24 have been selected by different Knowledge Partners (KPs) and Agribusiness Incubators (R-ABIs) working in agriculture & allied sector. Rs. 83.67 crore as grants-in-aid has been released in installments to the respective KPs & R-ABIs for funding to these Start-ups under RKVY Agri-startup Programme of Department of Agriculture & FW.

18. 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 2021-22, the Agri and allied export has increased from 50.24 billion USD in 2021-22 to 53.15 billion USD in 2022-23 i.e. an increase of 5.79%.
