

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION & FARMERS WELFARE

LOK SABHA
STARRED QUESTION NO. 144
TO BE ANSWERED ON THE 6TH MARCH, 2018

REVITALISATION OF AGRICULTURE SECTOR

*144. KUMARI SHOBHA KARANDLAJE:
SHRI PRATHAP SIMHA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण
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be pleased to state:

- (a) whether there is a need to formulate long-term and medium-term Action Plans for augmenting/attracting public and private investments to revitalize the agriculture sector and increase its growth rate, if so, the details thereof and the steps taken by the Government in this regard;
- (b) the details of the amount invested/ released and utilised for the purpose and the achievements thereof;
- (c) whether public investment in the agriculture sector is critical and it forms only 15 per cent of the total investment in this sector;
- (d) whether the Government proposes to formulate/evolve policies to channelize greater private investments through Government schemes in farm inputs, irrigation, marketing, post-harvest management, land development and capacity building of institutions and if so, the measures initiated in this regard; and
- (e) the other programmes/schemes launched to help the farmers for improving productivity and getting better economic returns?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण ½âããè

(SHRI RADHA MOHAN SINGH)

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA
STARRED QUESTION NO. 144 DUE FOR REPLY ON 6TH MARCH, 2018.**

(a) to (d): Yes, a medium term action plan for the period from 2017-18 to 2019-20 as per existing schemes is in place for augmenting/ attracting public and private investments to revitalize the agriculture sector and increase its growth rate.

Further, as a long term programme, the Central Government is also working to achieve the target of doubling the income of farmers by 2022, which will also contain recommendation for long term action plan for augmenting/attracting public and private investments to revitalize the agriculture sector and increase its growth rate. For this purpose, the Government has constituted an Inter-Ministerial Committee on 13.04.2016 under the Chairmanship of Chief Executive Officer, National Rainfed Area Authority, Department of Agriculture, Cooperation and Farmers Welfare to examine issues relating to doubling of farmers' income and recommend a strategy to achieve the same by the year 2022. In order to have consultation with the stakeholders across the country in finalizing the strategy, the Committee has been placing its reports in public domain. As of now, nine thematic Volumes of the draft Report prepared by the Committee have been uploaded on the website of this Department (<http://agricoop.nic.in/doubling-farmers>) for seeking public opinion. The recommendations have been taken into consideration by the Government for inclusion in the work plans.

Further in view of the importance of agriculture sector, the Government has substantially enhanced the budget allocation for the agriculture sector. The details of Budget Estimates and utilization from 2014-15 to 2018-19 in respect of all the three Departments under the Ministry of Agriculture and Farmers Welfare are as follow:-

Contd...2/-

(Rs. in crore) (as on 26.02.2018)

Year	Budget Estimates (BE)	Actual Expenditure
2014-15	31542.95	26572.31
2015-16	25460.51	49677.32
2016-17	45035.20	48957.00
2017-18	51576.00	40216.29
2018-19	58080.00	----

Corpus Funds for supplementing budgetary resources are as follows :

- (1) Long Term Irrigation Fund (LTIF) has been set up in NABARD with a corpus of Rs. 40,000 crore for funding of 99 priority large & medium irrigation projects.
- (2) Micro Irrigation Fund of Rs. 5,000 crore with NABARD as announced in Union Budget of 2017-18.
- (3) Dairy Processing & Infrastructure Development Fund with an outlay of Rs. 10,881 crore.
- (4) Fisheries and Aquaculture Development Fund of Rs. 7,550 crore and Animal Husbandry Infrastructure Development Fund of Rs. 2,450 crore have been announced in Budget 2018-19.
- (5) Market Infrastructure Development Fund of Rs. 2000 crore has been announced in Budget 2018-19.

It may be appreciated that, following higher devolution of finances to the State Governments, the funding pattern is generally in the ratio of 60:40 for most States and 90:10 for the North-Eastern and Hilly States. Hence, the total investments in the agriculture sector is much higher.

Public investment in the agriculture sector is of great importance. As per estimates provided by National Accounts Division, Ministry of Statistics and Programme

Implementation, details of public and private investment measured in terms of Gross Capital Formation (GCF) in agriculture & allied sector at current prices during 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 are given below:-

GCF in Agriculture & Allied Sector*				(Rs. Crore)
Year	Public	Private	Total	% Share of Public Sector in GCF
2013-14	40827	290009	330836	12
2014-15	47319	284545	331863	14
2015-16	52267	239721	291989	18
2016-17	64410	279066	343476	19

*As per the First Revised Estimates of National Income, Consumption Expenditure, Saving and Capital Formation for 2016-17 released on 31st January, 2018

There is a gradual increase in public investment in Agriculture and Allied Sector over the years.

As agriculture is a State subject, it is also the responsibility of States to take necessary steps for holistic development of agriculture based on local needs and priorities. However, Government of India supplements the efforts of the State Governments through various Schemes/ Programmes and it has taken several steps to channelize greater investments through various schemes in farm inputs, irrigation, marketing, post-harvest management, food processing, capacity building etc. some of the Schemes/programmes are as follow:-

Rashtriya Krishi Vikas Yojna (RKVY) scheme, which is a major scheme for incentivizing States to increase Investment in agriculture and allied sectors, has been approved for continuation for three years as Remunerative Approaches for Agriculture & Allied Sector Rejuvenation i.e. (RKVY-RAFTAAR) which aims at making farming as a

remunerative economic activity. The new Guidelines provide for major allocation for creation of production and post-production infrastructure, beside promoting agri-enterprises and incubation facilities.

A Model State/UT Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 has been shared with the States for adoption. In the Model APLM Act, 2017, provisions includes setting up of private markets, direct marketing, farmer-consumer markets, special commodity markets, declaring warehouses/silos/cold storages or such structures as market sub yards. A new market architecture under which 22,000 rural haats are to be upgraded as centers of aggregation and direct sale-purchase of agri-commodities has been announced in the Budget for 2018-19.

National Agriculture Market Scheme (E-NAM) is an innovative market process to revolutionize agri-markets by ensuring better price discovery, bringing in transparency and competition to enable farmers to get improved remuneration for their produce moving towards 'One Nation One Market'.

To promote the mechanization of small and marginal farm holdings and farm holding in difficult area with low level of mechanization, efforts have also been made to encourage private investment in establishment of farm machinery hubs for custom hiring services and high-tech hubs through credit linked back ended subsidy.

Assistance is provided for Integrated pack house, pre-cooling units, reefer vehicles, cold storages under post harvest component of Mission for Integrated Development of Horticulture (MIDH). The component is demand/entrepreneur driven through commercial ventures for which Government assistance is credit linked and back ended.

Under Soil Health Management (SHM) scheme, soil testing labs are established mainly located at district/block level, with the objective of employment generation for rural youth and to expedite analysis of soil samples. For setting up of projects, there is a provision of financial assistance up to 75% of total cost of Rs. 5 lakh per project will be provided to village entrepreneurs. Financial assistance will also be provided for sample collection, testing and printing and distribution of Soil health Cards to the village entrepreneurs.

The Department is implementing the 'Per Drop More Crop' component of Pradhan Mantri Krishi Sinchai Yojana (PMKSY). Per Drop More Crop mainly focuses on increasing water use efficiency at farm level through precision/micro irrigation (drip and sprinkler irrigation). The component is demand driven and available for beneficiaries/farmers through assistance as credit linked and back ended subsidy.

Ministry of Food Processing Industries is implementing a scheme Pradhan Mantri Kisan Sampada Yojana (PMKSY) with an outlay of Rs. 6000.00 crore for the period of 2016-20 to provide a big boost to the growth of modern food processing industries.

(e): At present, the Government is implementing various schemes to synchronise with higher gains for the farmers. Details are as follows:-

- For higher production through productivity gains
 - National Food Security Mission (NFSM)- cereals, pulses, oilseeds, nutri-rich cereals, commercial crops
 - Mission for Integrated Development of Horticulture (MIDH)- high growth rate of horticulture crops.

- For reduction in cost of cultivation
 - Soil Health Card (SHC) (2 year cycle)- ensure judicious use of fertilizer application and thus save money of farmers.
 - Neem Coated Urea (NCU) (universal)- is being promoted to regulate use of urea, enhance availability of nitrogen to the crop and reduce cost of fertilizer application
 - The Pradhan Mantri Krishi Sinchai Yojana (PMKSY) – micro irrigation component (1.2 million ha/yr target)- with the motto of ‘Har Khet Ko Paani’ for providing end-to-end solutions in irrigation supply chain, comprising water sources, distribution network and farm level applications.
 - Paramparagat Krishi Vikas Yojana (PKVY) – PKVY is being implemented with a view to promote organic farming in the country. This will improve soil health and organic matter content and increase net income of the farmer so as to realise premium prices.

- To ensure remunerative returns
 - National Agriculture Market Scheme (E-NAM) is an innovative market process to revolutionize agri-markets by ensuring better price discovery, bringing in transparency and competition to enable farmers to get improved remuneration for their produce moving towards ‘One Nation One Market’
 - A new model “The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017” has been released on 24th April, 2017 for its adoption by States/UTs. This has been derived after many deliberations over the earlier model APMC Act 2003 and the need for

inclusion of progressive reforms required in the agriculture marketing sector. In the Model APLM Act, 2017, provisions includes setting up of private markets, direct marketing, farmer-consumer markets, special commodity markets, declaring warehouses/silos/cold storages or such structures as market sub yards. The model Act is in different stages of adoption by various states.

- Warehousing and post-harvest loans at concessional rate of interest so as to discourage distress sale by farmers and to encourage them to store their produce in warehouses against negotiable receipts.
- Minimum Support Price (MSP) is notified by the Government for certain crops.
- Procurement of oilseeds, pulses and cotton are undertaken by central agencies at MSP under Price Support Scheme (PSS) at the request of the concerned State Government.
- Market Intervention Scheme (MIS) for procurement of agriculture & horticulture products, which are perishable in nature and are not covered under PSS.
- For risk management and sustainable practices
 - Pradhan Mantri Fasal Bima Yojana (PMFBY) & Restructured Weather Based Crop Insurance Scheme (RWCIS) (cover 50% GCA by 2018-19)- provides insurance cover at all stages of the crop cycle including post-harvest risks in specified instances and available to the farmers at very low rates of premium.

- Paramparagat Krishi Vikas Yojana (PKVY)- is being implemented with a view to promote organic farming in the country. This will improve soil health and organic matter content and increase net income of the farmer
- Mission organic Farming in North-East- MoVCD (NE)- Realizing the potential of organic farming in the North Eastern Region of the country.
- Allied activities as follows:

“Har Medh Par Ped” launched during 2016-17 to encourage tree plantation on farm land “ Har Medh Par Ped”, along with crops/ cropping system. The scheme is being implemented in the states those have notified liberalized transit regulations for transport of timber. Implementation of the scheme has been started in 8 States and during 2016-17 and in 12 more States during 2017-18 after notifying liberalized transit regulations. Other States are also being motivated to notify liberalized transit regulations. Agroforestry will not only help in increasing soil organic carbon but also in creating additional source of income to farmers.

National Bamboo Mission has been announced in the Union Budget 2018-19 for value chain based holistic development of this sector as a supplement to farm income.

Bee-Keeping: During the last 3 year (2014-15 and 2016-17) the number of honey bee colonies that were 20 lacs in 2014-15 have increased to 30 lacs during 2016-17, registering an increase of 10 lacs. Honey production in 2011-14 was 2,18,950 metric tons which has increased to 2,63,930 metric tons during 2014-17 i.e an increase of 20.54%.

Dairying: Dairy sector is being promoted through schemes like Rashtriya Gokul Mission, National Bovine Productivity Mission and various dairy development related projects are being implemented.

Fisheries: Foreseeing high potential in fisheries sector, a Blue Revolution with multi dimensional activities mainly focusing on fisheries production, both inland and marine is being implemented.
