

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

LOK SABHA
STARRED QUESTION NO. 50
TO BE ANSWERED ON THE 6TH FEBRUARY, 2018

DOUBLING OF FARMERS' INCOME

*50. PROF. SAUGATA ROY:
SHRI MULLAPPALLY RAMACHANDRAN:

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

- (a) whether the Government has set a goal for doubling the farmers' income by 2022 and the NITI Aayog has proposed a pilot project in this regard, if so, the details thereof and the action taken by the Government to attain this goal;
- (b) whether any assessment of the rise in the income of farmers has been done during the last four years and if so, the details thereof;
- (c) whether the Government is considering to fix the Minimum Support Price for all the agricultural produce to ensure income security for the farmers and if so, the details thereof;
- (d) whether the Government has taken any steps for poor farmers in rural areas in the country and if so, the details thereof; and
- (e) whether the fragmentation of farm land causes loss to the agriculture sector and if so, the details thereof along with the steps taken by the Government to promote group farming amongst the farmers in the country?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण 1/2ãâ"ããè

(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. 50 DUE FOR REPLY ON 6TH FEBRUARY, 2018.

(a): Yes, Madam. The Government has set a goal for doubling the farmers' income by 2022. The NITI Aayog has constituted a Task Force for demonstrating doubling of farmers income through new business models and relieving farmers' distress.

The Central Government is working appropriately to achieve the target of doubling the income of farmers by 2022. 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. Alongside working on a comprehensive strategy, the Committee has been parallelly suggesting various intervention for consideration. In order to involve the stakeholders across the country in finalizing the strategy, the Committee has been placing its reports in installments. As of now, nine 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. Some of the recommendations of the Committee are parallelly being implemented. They include the following:

- i. A comprehensive State Market Act to introduce reforms and competition for creating a competitive price discovery environment. Following this A Model State/UT Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 has been drafted, approved and shared with the States.
- ii. A Model Contract Farming Act is now at the final stage to help farmers enter into pre-season price agreement on their produce.

- iii. Restructuring of Directorate of Marketing & Inspection (DMI), so as to provide technology backstopping to a system for price and demand forecast.
- iv. A five year Roadmap for Pulses Production and achieve a production status of 24 million MTs.
- v. A comprehensive roadmap for increasing the production of oilseeds in the country.
- vi. Rashtriya Krishi Vikas Yojna (RKVY) scheme has been approved for continuation for three years as Remunerative Approaches for Agriculture & Allied Sector Rejuvenation i.e. (RKVY-RAFTAAR) which aims at making the farming as a remunerative economic activity through multi pronged approach along with holistic development of agriculture and allied sector. The new Guidelines provide for major allocation for creation of production and post-production infrastructure, beside promoting agri-enterprises and incubation facilities.
- vii. An institutional mechanism at State and District levels to undertake integrated and comprehensive review of agriculture and allied activities and farmers welfare.
- viii. Computerization of Primary agriculture cooperative societies (PACSS)- A budgeting provision has been made to computerize all the PACSSs in a period of 3 years (2017-18 to 2019-20).
- ix. A new market architecture under which 22,000 rural haats to be upgraded as centers of aggregation and direct sell-purchase of agri-commodities.

The Government is aiming to reorient the agriculture sector by making it income-centric rather than purely a production-centric activity. A farmer's income is a basket of earnings from agriculture (including horticulture), allied activities like dairy, livestock, poultry, fishery etc. and ancillary activities like beekeeping etc. Apart from these farm incomes, he also earns from other activities like wage labour, off-farm activities etc. Earnings from agriculture constitute the principal source of income of a farmer.

(b): The National Sample Survey Office (NSSO) conducted "Situation Assessment Survey (SAS) of Agricultural Households" during NSS 70th round (January 2013- December 2013) in the rural areas of the country with reference to the agricultural year July 2012- June 2013. The survey estimated the average monthly income per agricultural household as Rs.6426/-. There has been no further assessment of the farmers income thereafter (2013-14 to 2017-18).

(c): The Government fixes Minimum Support Prices (MSPs) for 22 major agricultural crops to ensure remunerative prices for farmers on the recommendation of Commission for Agricultural Costs & Prices (CACP) and in addition, MSP for Toria and De-husked coconut is also fixed on the basis of MSPs of Rapeseed/Mustard and Copra respectively. While formulating its recommendations on price policy, CACP considers cost of production, trend in market prices, demand and supply situation, effect on general price level, effect on cost of living etc. However, farmers are free to sell their produce to the Government Procurement Agencies at MSP or in the open market as is advantageous to them.

The Government also undertakes procurement of paddy & wheat at Minimum Support Price (MSP) through Food Corporation of India (FCI). In addition, 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 which agrees to exempt the procured commodities from levy of mandi tax and assist central nodal agencies in logistic arrangements.

Government also implements the Market Intervention Scheme (MIS) for procurement of agriculture & horticulture products, which are perishable in nature and are not covered

under PSS on the request of States/ UT Government. The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production.

(d): 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.
- 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.

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.

(e): Due to rising demand of land for non-agricultural uses, there is decline of about 10 lakh hectares, as agricultural land has been diverted to non-agricultural uses since 2004-05. The Government is promoting group farming amongst the farmers. Small and marginal farmers are mobilized to form Farmer Producer Organizations (FPOs) / Farmer Interest Group (FIG) for aggregation and economies of scale. FPOs are eligible for financial assistance under MIDH, NFSM etc. Further, Small Farmers' Agribusiness Consortium (SFAC) has registered 706 Farmers Producers Companies in various States.
