

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2120**  
TO BE ANSWERED ON THE 31<sup>ST</sup> JULY, 2018

**BENEFITS OF SCHEMES TO FARMERS**

2120. SHRI BHEEMRAO B. PATIL:

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

- (a) whether the Government's schemes are helping only the rich farmers and the one who really deserve help do not even qualify for loans and if so, the details thereof;
- (b) whether very few farmers get the right price for their produce and the calculation of MSP needs to be done honestly and if so, the details thereof;
- (c) whether farmers who after getting the loans waived once, default the next time, and get debarred from all other Government benefits; and
- (d) if so, whether the Government is considering to bring out any plans to address these issues and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI GAJENDRA SINGH SHEKHAWAT)

(a): No, Madam. Government Schemes are intended to help all farmers across the country and roughly 85 per cent of the total operational holdings in the country (about 43 per cent of the gross cropped area) are in the Small and Marginal Farmers (SMFs) category. As far as the issue of such farmers qualifying for loans is concerned, the Govt. has taken several measures to facilitate their access to institutional credit including *inter-alia*:-

- i) The Reserve Bank of India (RBI) has issued Priority Sector Lending Guidelines (PSL), which mandate all Domestic Scheduled Commercial Banks to earmark 18% of their Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure (OBE), whichever is higher, as on the corresponding date of the previous year, for lending to Agriculture and within the 18 percent target for agriculture, a sub-target of 8 percent of ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure, (whichever is higher) has been prescribed for SMFs.
- ii) As per PSL guidelines, loans to distressed farmers to repay non-institutional lenders are eligible under priority sector. Besides loans to stressed persons (other than farmers) not exceeding Rs. 1,00,000/- per borrower to repay their debt to non-institutional lender are also eligible for the purpose of priority sector lending by banks.

Continue....2/-

- iii) The Kisan Credit Card (KCC) Scheme enables eligible farmers to draw cash through ATM enabled debit card to purchase agricultural inputs such as seeds, fertilisers, pesticides as well as meet other agricultural and consumption needs.
- iv) To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks. The Government also promotes formation of Farmer Producer Organisations (FPOs) in a big way to enable farmers to leverage economies of scale, not only for agricultural inputs but also for enhanced marketing opportunities.
- v) Vide RBI's circular dated 18<sup>th</sup> June, 2010 the Banks have been advised to waive margin/security requirements of agricultural loans upto Rs.1,00,000/-.
- vi) Further, with respect to lessee cultivators (tenant farmers), since leases are informal and may not constitute appropriate legal document for purposes of loan from institutional sources, the NITI AAYOG has formulated Model Agricultural Land Leasing Act, 2016 to provide a legal and institutional framework for legalisation of agricultural land leasing. This is with a view to facilitate financial institutions to advance agricultural loans to lessee cultivators. Following NITI AAYOG's Model Act, Uttarakhand and Uttar Pradesh have legalised land leasing.

(b): The Government of India fixes Minimum Support Price (MSP) for both Kharif and Rabi crops based on the recommendations of the Commission on Agriculture Costs & Prices (CACP). The Commission collects & analyses data on cost of cultivation and recommends MSP. While recommending its Price Policy, the CACP considers all costs in a comprehensive manner. The costs include all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc., miscellaneous expenses and imputed value of family labour. Hence the costs considered are very comprehensive and based on the methodology recommended by Expert Committees from time-to-time.

In the Union Budget for 2018-19, the Government had announced that MSP for all Kharif crops not hitherto covered will be 1.5 times the cost of production. This was followed by Government decision of 4<sup>th</sup> July, 2018 to increase MSPs for all Kharif crops for 2018-19 season at a level of at least 150 percent of the cost of production.

The MSP declared during 2012-13 to 2018-19 for various crops is **Annexed**.

(c) & (d): No Madam. Further, to inculcate discipline for timely repayment of short term crop loans Government has also provided for prompt repayment incentive under Interest Subvention Scheme (ISS).

## ANNEXURE

**Lok Sabha Unstarred Question No. 2120 due for 31.07.2018 regarding 'Benefit of Schemes to Farmers'  
(7 years MSP Statement)**

		(Rs per quintal)							
S. No.	Commodity	Variety	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
	<b><u>KHARIF CROPS</u></b>								
1	PADDY	Common	1250	1310	1360	1410	1470	1550	1750
		Grade 'A'	1280	1345	1400	1450	1510	1590	1770
2	JOWAR	Hybrid	1500	1500	1530	1570	1625	1700	2430
		Maldandi	1520	1520	1550	1590	1650	1725	2450
3	BAJRA		1175	1250	1250	1275	1330	1425	1950
4	MAIZE		1175	1310	1310	1325	1365	1425	1700
5	RAGI		1500	1500	1550	1650	1725	1900	2897
6	ARHAR(Tur)		3850	4300	4350	4625^	5050^^	5450^	5675
7	MOONG		4400	4500	4600	4850^	5225^^	5575^	6975
8	URAD		4300	4300	4350	4625^	5000^^	5400^	5600
9	COTTON	Medium Staple	3600	3700	3750	3800	3860	4020	5150
		Long Staple	3900	4000	4050	4100	4160	4320	5450
10	GROUNDNUT IN SHELL		3700	4000	4000	4030	4220*	4450^	4890
11	SUNFLOWER SEED		3700	3700	3750	3800	3950*	4100*	5388
12	SOYABEEN	Black	2200	2500	2500	-	-	-	-
		Yellow ##	2240	2560	2560	2600	2775*	3050^	3399
13	SESAMUM		4200	4500	4600	4700	5000^	5300*	6249
14	NIGERSEED		3500	3500	3600	3650	3825*	4050*	5877
	<b><u>RABI CROPS</u></b>								
15	WHEAT		1350	1400	1450	1525	1625	1735	
16	BARLEY		980	1100	1150	1225	1325	1410	
17	GRAM		3000	3100	3175	3500**	4000^	4400@	
18	MASUR (LENTIL)		2900	2950	3075	3400**	3950@	4250*	
19	RAPESEED/MUSTARD		3000	3050	3100	3350	3700*	4000*	
20	SAFFLOWER		2800	3000	3050	3300	3700*	4100*	
21	TORIA		2970	3020	3020	3290	3560	3900*	
	<b><u>OTHER CROPS</u></b>								
22	COPRA	Milling	5100	5250	5250	5550	5950	6500	7511
	(Calender Year)	Ball	5350	5500	5500	5830	6240	6785	7750
23	DE-HUSKED COCONUT (Calender Year)		1400	1425	1425	1500	1600	1760	2030
24	JUTE		2200	2300	2400	2700	3200	3500	3700
25	SUGARCANE#		170	210	220	230	230	255	275

# Fair and remunerative price.

## Single MSP of Soyabean (yellow) is recommended by CACP since 2015-16, as black variety of soyabean is no longer cultivated in major producing states. Since 2015-16, MSP of Soyabean yellow is also applicable to black variety

\* Including Bonus of Rs. 100 per quintal.

\*\* Including Bonus of Rs. 75 per quintal .

^ Including Bonus of Rs. 200 per quintal.

^^ Including Bonus of Rs. 425 per quintal.

@ including bonus of Rs. 150 per quintal

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