

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

**LOK SABHA**  
**STARRED QUESTION NO. 104**  
TO BE ANSWERED ON THE 18<sup>TH</sup> DECEMBER, 2018

**REVIVAL OF AGRARIAN SECTOR**

\*104. SHRI J.J.T. NATTERJEE:

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

- (a) whether Indian agriculture is confronted with high price volatility, climate risks and indebtedness and if so, the details thereof;
- (b) whether the farmer's welfare/ supporting programmes and schemes are disjointed and function independently of each other now and if so, the details thereof; and
- (c) whether the Government has any practical solution for reviving the agrarian sector which would reduce the agrarian distress and if so, the details thereof?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI RADHA MOHAN SINGH)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA  
STARRED QUESTION NO. 104 DUE FOR REPLY ON 18<sup>TH</sup> DECEMBER, 2018.**

(a): Indian agriculture is confronted with high price volatility and climate risk for which adequate preparedness has been put in place. Price of any agriculture commodity at any point of time depends on its demand and supply, climate conditions, availability of transportation, perishable nature of crops, which may give rise to price volatility.

Due to occurrence of localized extreme climate events like drought, frost, hailstorms etc, crops are affected in some parts of the country, resulting in some crop loss. Climate change will have negative effects on the yields globally including India, due to both temperature rise and change in water availability, in a business as usual scenario. The steps taken by the Government for adequate preparedness in the face of climate change include development of climate resilient varieties and activities under National Mission for Sustainable Agriculture (NMSA). Indian Council of Agricultural Research (ICAR) has developed 45 climate resilient Integrated farming system models which are being replicated in all Krishi Vigyan Kendras (KVKs) for demonstration. Climate resilient villages have been developed, one in each 151 districts. Climate Vulnerability Atlas have been prepared under National Innovations in Climate Resilient Agriculture (NICRA). ICAR has also developed District Agriculture Contingency Plan for 633 districts in order to give real time agro advisories for overcoming climate risks. Due to the steps taken by the Government, despite climate risks, the overall crop production in the country is on the increasing trend.

Farmers can be indebted to both Institutional and non-institutional sources of credit. Borrowing from non-institutional sources is the major reason for debt. In order to reduce the dependence of farmers on private money lenders for meeting their credit needs and providing relief to the indebted farmers, Government has taken several measures to increase institutional credit flow and bringing down the rate of interest on farm loans.

Under the Interest Subvention Scheme, the Government is providing short-term crop loan upto Rs. 3 lakh for a period of one year to farmers at a subvented interest rate of 4% per annum in case of prompt repayment of the loan against the normal lending rate of 9%. Thus on prompt repayment the farmers get Interest Subvention of 5% per annum.

The agricultural credit flow achievement is Rs. 9.16 lakh crore for the year 2015-16, Rs. 10.66 lakh crore for 2016-17 and Rs. 11.69 lakh crore (provisional) for 2017-18. The credit flow achievements have surpassed the targets fixed for these years.

Further, with a view to provide better insurance coverage to crops for all stages including post harvest risks for risk mitigation, Government has launched a crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) from Kharif 2016 season. 2,69,69,404 farmers benefited by way of payment of claims Rs.10,482.86 crore during Kharif 2016, 36,52,284 farmers benefited by way of payment of claims Rs.5,796.39 crore during Rabi 2016-17 and 1,39,83,661 farmers benefited by way of payment of claims Rs.16,967.92 crore during Kharif 2017 under PMFBY.

(b): The farmer's welfare/ supporting programmes and schemes are not disjointed. Agriculture sector development involves various stages including pre-production, production, harvesting, post-harvesting and marketing. Various supporting programmes and schemes for farmers welfare have been provided by the Government to cover the entire agriculture sector from pre production to post harvesting and marketing in tandem with a view to enhance economics of production, marketing and improving the income of farmers. The farmer's welfare/supporting programmes and schemes are linked at various stages.

(c): The Government has been reorienting the agriculture sector by focusing additionally on an income-centric approach which focuses apart from achieving high productivity and production, reducing in cost of cultivation and remunerative price for the produce, with a view to facilitate higher profits from farming.

For this, Government has taken several initiatives which inter alia include:

(i) Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be optimized. In the 1st cycle 1073.89 lakh Soil Health Cards were distributed & in the on-going 2nd cycle 673.96 lakh of Soil Health Cards have been distributed.

(ii) "Per drop more crop" initiative under which drip/sprinkler irrigation is being encouraged for optimal utilization of water. Further, the Government has created a Micro Irrigation Fund (MIF) with the objective to facilitate the States in mobilizing the resources for expanding coverage of Micro Irrigation by taking up special and innovative projects and also for incentivizing micro irrigation beyond the provisions available under PMKSY-PDMC to encourage farmers to install micro irrigation systems.

(iii) "Paramparagat Krishi Vikas Yojana (PKVY)" under which organic farming is being promoted. North East is being developed as organic hub.

(iv) With a view to provide better insurance coverage to crops for risk mitigation, Government has launched a crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) from Kharif 2016 season. This scheme provides insurance cover for all stages of the crop cycle including post-harvest risks in specified instances.

(v) Under “Har Medh Par Ped”, agro forestry is being promoted. With the amendment of Indian Forest Act, 1947 Bamboo grown outside forest area has been removed from the definition of trees and a mission have been launched to promote bamboo plantation.

(vi) Giving a major boost to the pro-farmer initiatives of the Government and in keeping with its commitment and dedication for the Annadata, the Government has approved a new Umbrella Scheme Pradhan Mantri Annadata Aay Sanrakshan Abhiyan’ (PM-AASHA). The Scheme is aimed at ensuring remunerative prices to the farmers for their produce as announced in the Union Budget for 2018. This is an unprecedented step taken by Govt. of India to protect the farmers’ income which is expected to go a long way towards the welfare of farmers.

(vii) In order to provide better marketing facilities to the farmers, the Government has released a new model “The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017” in April 2017 for its adoption by States/Union Territories (UTs). The provisions therein provides for alternative marketing channels to facilitate farmers in marketing their produce at competitive & remunerative prices.

(viii) In order to optimise the use of scarce resources and mitigate the uncertainty in price and marketing, the Government has formulated and released a progressive and facilitative Model Act “The ---State/ UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018” in May, 2018 for its adoption by the states/Union Territories (UTs). The aforesaid Model Contract Farming Act covers the entire value and supply chain from pre-production to post harvest marketing including services contract for the agricultural produce and livestock.

(ix) As per Union Budget Announcement, 2018-19, Government has decided to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs) to work as centers of aggregation and for direct purchase of agricultural commodities from the farmers.

(x) The Government has implemented National Agriculture Market (e-NAM) scheme for transparent price discovery for remunerative prices for the farmers for their produce through competitive online bidding system. So far, 585 wholesale regulated markets of 16 States and 02 UTs have been integrated with e-NAM platform.

(xi) Minimum Support Price (MSP) is notified by the Government for certain crops. Giving a major boost for the farmers income, the Government has approved the increase in the MSPs for all Kharif & Rabi crops for 2018-19 season at a level of at least 150 percent of the cost of production.

(xii) During the period from 2014-15 to 2018-19, a quantity of 93.97 lakh MT of pulses and oilseeds valuing Rs. 44,142.50 crore were procured at MSP by various agencies of Government of India.

(xiii) Bee keeping has been promoted under Mission for Integrated Development of Horticulture (MIDH) to increase the productivity of crops through pollination and increase the honey production as an additional source of income of farmers.

(xiv) Rashtriya Gokul Mission has been implemented to enhance milk production and productivity of bovines and to make milk production more remunerative to the farmers.

(xv) National Livestock Mission has been implemented to increase productivity and genetic improvement of livestock.

(xvi) 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.

(xvii) Pradhan Mantri Kisan SAMPADA Yojana (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) aims at promoting modern infrastructure with efficient supply chain management from farm gate to retail outlet.

(xviii) In order to overcome distress sale of his agri-produce, the Government is providing assistance for marketing infrastructure including storage and cold storage infrastructure under various schemes such as Mission for Integrated Development of Horticulture (MIDH), Rashtriya Krishi Vikas Yojana- Remunerative Approaches for Agriculture and Allied Sector Rejuvenation (RKVY-RAFTAAR) and Agricultural Marketing Infrastructure (AMI) sub scheme of Integrated Scheme for Agricultural Marketing (ISAM).

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