

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

LOK SABHA
UNSTARRED QUESTION NO. 1644
TO BE ANSWERED ON THE 2ND JULY, 2019

SUBSIDY TO FARMERS

1644. SHRI KAUSHALENDRA KUMAR:

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

- (a) the details of the expenditure incurred by the Government on the subsidy to the farmers during the last five years, State and Scheme-wise;
- (b) the details of the benefits in respect of seeds, fertilizers and insecticides for which the Government is working to make it available to farmers in the next five years;
- (c) whether the Government proposes to provide interest-free loans to farmers; and
- (d) if so, the details thereof along with the criteria being adopted for it?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Agriculture is a State Subject. Government of India facilitates the State Governments through many Centrally Sponsored and Central Sector Schemes. A statement showing the amount spent during the last five years is **annexed**.

(b): The Government is implementing Sub-Mission on Seeds and Planting Material (SMSP) under National Mission on Agricultural Extension and Technology (NMAET). The main objective of the Sub-Mission is to develop/strengthen seed sector and to enhance production and multiplication of certified/ quality seeds of all agricultural crops and making it available to the farmers and also place an effective system for protection of plant varieties, rights of farmers and plant breeders to encourage development of new varieties of plants.

Urea is being provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable) and the MRP of 50 kg bag of urea is Rs.268 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. Accordingly, all farmers are being supplied urea at the subsidized rates.

The Government is already implementing Nutrient Based Subsidy (NBS) Scheme w.e.f. 1.4.2010 for P&K fertilizers. Any farmer, who procures these fertilizers at MRP, avails the benefit of subsidy.

Government of India has adopted Integrated Pest Management (IPM) as cardinal principle and main plank of plant protection in the overall Crop Production Programme since 1985. IPM is an eco-friendly approach which encompasses cultural, mechanical, biological and need based chemical control measures. The IPM approach is being disseminated through various schemes/ projects at national and state level.

(c) & (d): With a view to ensure availability of agriculture credit at concessional rate to small and marginal farmers, the Government of India had launched an Interest Subvention Scheme (ISS) in the year 2006-07. As per the extant guidelines of the Government of India, Interest Subvention of 2% per annum is provided to Public Sector Banks, Private Sector Banks (in respect of loans given by their rural and semi urban branches), Cooperative Banks and Regional Rural Banks on their own funds used for short term crop loans upto Rs.3 lakh per farmer. The lending institutions make available short-term credit at the ground level at 7% per annum to small and marginal farmers. The farmers could be individual/joint borrowers who are cultivators, tenant farmer, oral lessees & share croppers, self help groups/joint liability group of farmers including tenant farmers.

In addition to the above, a scheme was introduced from 2009-10 for providing additional interest subvention to the prompt paying farmers wherein presently 3% Interest Subvention as an incentive to prompt payee farmers is given. This subvention is available to farmers on the short term production credit upto maximum amount of Rs.3.00 lakh availed during the year. Thus the prompt paying farmers are getting short term crop loans @4% per annum from various banks.

The Government has taken a major farmer friendly step of extending the benefit of KCC with interest subvention to the farmers engaged in activities related to Animal Husbandry & Fisheries. Farmers already possessing a KCC and involved in activities related to animal husbandry and fisheries can avail an additional sub limit within an overall limit of three lakh and the interest subvention/prompt repayment incentive will also be applicable within the credit limit.

Reserve Bank of India (RBI) has also raised the collateral free existing agriculture loan limit from Rs. 1 lakh to 1.60 lakh. Further, Indian Banks Association (IBA) has waived off processing fee, inspection, ledger folio charges and all other service charges for fresh issue/renewal of KCC.

**STATEMENT INDICATING AMOUNT RELEASED DURING THE LAST FIVE YEARS UNDER
VARIOUS SCHEMES IMPLEMENTED BY THE DEPARTMENT OF AGRICULTURE, COOPERATION
AND FARMERS WELFARE**

(Rs in Crore)						
S.NO.	SCHEME	2014-15	2015-16	2016-17	2017-18	2018-19
1	National Food Security Mission(NFSM)	1872.74	1162.34	1286.03	1384.16	1614.51
2	National Mission on Oil Seeds and Oil Palm (NMOOP)	319.07	305.81	327.50	266.05	343.20
3	Mission for Integrated Development of Horticulture (MIDH)	1956.45	1696.80	1493.07	2033.77	2003.19
4	National Mission for Sustainable Agriculture(NMSA/RADP)	1391.77	701.38	658.34	695.62	1060.21
5	National Mission on Agriculture Extension and Technology(NMAET)	1241.86	1033.10	1192.75	2259.86	2582.14
6	National Project on Agro Forestry (NPAF)	0.00	51.19	0.00	42.66	28.58
7	Soil Health Card (SHC)	0.00	0.00	0.00	0.00	0.00
8	PM Krishi Sinchai Yojna (PMKSY)	0.00	1555.94	1991.25	2819.24	2918.38
9	National Agriculture Market (e-NAM)	0.00	0.00	44.90	0.00	0.00
10	Rashtriya Krishi Vikas Yojana(RKVY)	8443.20	3940.01	3892.02	3560.11	3370.71
11	National Bamboo Mission (NBM)	77.36	0.00	0.00	0.00	150.04
12	National Agroforestry Bamboo Mission (NABM)	0.00	66.77	16.90	10.53	0.00
13	Sub Mission on Agro-Forestry (SMAF)	0.00	0.00	22.50	42.27	0.00
14	Interest Subsidy	0.00	0.00	0.00	13045.72	11495.66
15	Intergated Scheme of Agriculture Marketing(ISAM)	979.80	570.30	782.49	637.21	525.98
16	Intergated Scheme of Agriculture Cooperation(ISAC)	99.41	121.70	129.81	228.18	137.79
17	Implementation of Market Intervention Scheme/Price Support Scheme(MIS/ PSS)	0.00	0.00	0.00	700.92	1400.00
18	Price Stabilization Fund	50.00	660.00		0.00	0.00
19	Diesel Subsidy	0.00	0.00	0.00	21.34	0.00
20	Promotion of Agriculture Mechanization for in-situ Management of Crop residue	0.00	0.00	0.00	0.00	584.33
21	Income Support Scheme	0.00	0.00	0.00	0.00	6050.56
22	Distribution of Pulses to States/Union Territories	0.00	0.00	0.00	0.00	0.00
23	Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)	0.00	0.00	0.00	0.00	0.00
	Total	16354.3	11798.57	11798.16	27694.84	34265.28