

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

LOK SABHA
UNSTARRED QUESTION NO.2587
TO BE ANSWERED ON THE 9TH JULY, 2019

DOUBLING OF FARMERS INCOME

2587. SHRIMATI HEMA MALINI:

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

- (a) whether the Government had set any target in February 2016 to double the income of farmers by the year 2022 and the Committee on Doubling Farmers Income had also been constituted to move forward in this direction;
- (b) if so, the details thereof;
- (c) whether the Government has formulated any policy on the basis of the suggestions given by the said Committee to double the income of farmers by the year 2022;
- (d) if so, the details thereof; and
- (e) whether the outcome has been positive as expected and if so, the details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Yes Sir. The Government has set a target to double the income of farmers by the year 2022. The Government had constituted an Inter-ministerial Committee in April, 2016 to examine issues relating to “Doubling of Farmers Income” and recommend strategies to achieve the same. The Committee has submitted its Report to the Government in September, 2018.

(c) & (d): The Committee on Doubling Farmers’ Income (DFI) recognises agriculture as a value led enterprise and has identified seven major sources of growth, viz., improvement in crop productivity; improvement in livestock productivity; resource use efficiency or savings in the cost of production; increase in the cropping intensity; diversification towards high value crops; improvement in real prices received by farmers; and shift from farm to non-farm occupations.

Several initiatives have already been rolled out on the recommendations of DFI Committee which inter-alia include advocating progressive market reforms through the State Governments, Encouraging contract farming through the State Governments by promulgating of Model Contract Farming Act, Up-gradation of Gramin Haats to work as centers of aggregation and for

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direct purchase of agricultural commodities from the farmers, e-NAM to provide farmers an electronic online trading platform, Distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized, Increase water efficiency through PMKSY-“Per drop more crop”, Better insurance coverage to crops for risk mitigation under Pradhan Mantri Fasal Bima Yojana (PMFBY), Increase in the Minimum Support Price (MSPs) for all Kharif & Rabi crops for 2018-19 season at a level of at least 150 percent of the cost of production, providing total interest subvention up to 5% (inclusive of 3% prompt repayment incentive) on short-term crop loans up to Rs. 3.00 lakh, thus making loan available to farmers at a reduced rate of 4% per annum on prompt repayment and extended the facility of Kisan Credit Card (KCC) for animal husbandry and fisheries related activities as well as extend the Interest Subvention Facilities to such categories of farmers.

(e): Agriculture being a State subject, the State Governments undertake development of perspective plans and ensures effective implementation of the programmes/ schemes. Government of India supplements the efforts of the State Governments through various Schemes/ Programmes aimed at improving production, post harvest & management, including progressive agri-market reforms, access to credit, risk management and income support. Some important programmes/outcome thereafter include:

i) Simplification of procedures to avail Kisan Credit Cards (KCC), which provides agriculture credit to farmers at subsidized rates, with a 2% interest subvention (IS) and Prompt Repayment Incentive (PRI) of 3% so as to make the effective rate of interest as 4% include:

a) Activities relating to Animal Husbandry and Fisheries included in KCC - benefits of IS and PRI also extended

b) Indian Banker's Association has waived off processing fee, inspection, ledger folio charges and all other service charges for renewal/fresh issue of KCC.

c) RBI has raised the collateral free existing agriculture loan limit from Rs.1 lakh to Rs.1.60 lakh.

ii) Claims of Rs. 8,665 crore were paid to 553.01 lakh farmers in the year 2018-19 under Pradhan Mantri Fasal Bima Yojana (PMFBY).

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

iv) To provide income support to all farmers' families across the country and enable them to take care of expenses related to agriculture and allied activities as well as domestic needs, the Government started a new Central Sector Scheme, namely, the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN). The scheme aims to provide a payment of Rs. 6000/- per year, in three 4-monthly installments of Rs. 2000/- to the farmers, subject to certain exclusions relating to higher income groups. An amount of Rs. 12646.579 crore has been distributed to 632.32895 lakh farmers in the year 2018-19.

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v) To provide social security net for Small and Marginal Farmers (SMF) as they have minimal or no savings to provide for old age and to support them in the event of consequent loss of livelihood, the Government has decided to implement another new Central Sector Scheme for providing old age pension to these farmers. Under this Scheme, a minimum fixed pension of Rs. 3000/- be provided to the eligible small and marginal farmers, subject to certain exclusion clauses, on attaining the age of 60 years. The scheme aims to cover around 5 crore beneficiaries in the first three years. It would be a voluntary and contributory pension scheme, with entry age of 18 to 40 years. The Government has approved a budgetary provision of Rs. 10774.50 crore for the scheme till March, 2022.

(vi) Giving a major boost to the pro-farmer initiatives, the Government has approved a new Umbrella Scheme 'Pradhan Mantri Annadata AaySanrakshan 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 towards the welfare of farmers.

(vii) 585 wholesale regulated markets of 16 States and 02 UTs have been integrated with National Agriculture Market (e-NAM) platform. e-NAM has recently achieved another milestone by commencing inter-State trade between mandis of two different States. Earlier trade used to happen either within the Agricultural Produce Market Committees (APMCs) or between two APMCs situated within same state. Eleven States/UT have participated in inter-state trade on e-NAM platform.
