

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

LOK SABHA
UNSTARRED QUESTION NO.1520
TO BE ANSWERED ON THE 20TH SEPTEMBER, 2020

INDUSTRY STATUS TO AGRICULTURE

1520. SHRI JAYADEV GALLA:

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

- (a) whether it is not true that agriculture plays a vital role in the economic development of the country and if so, the details thereof;
- (b) whether it is also not true that there have been genuine demands to grant 'industry' status to agriculture to push it further in all respects;
- (c) the details of each of the benefits being given to industry during the last ten years;
- (d) the details of each of the benefits being given to agriculture during the last ten years; and
- (e) whether there are any constraints that the Government is facing in granting 'industry' status to agriculture?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Agriculture plays a vital role in the economic development of the country as it ensures food and nutritional security to the people and provides livelihood and employment opportunities for the majority of population. Besides, it supplies raw material to non-agricultural sectors.

Given the importance of agriculture sector, the Government has substantially enhanced the budget allocation for the Ministry of Agriculture & Farmers Welfare to Rs. 142762.35 crore (BE) during BE 2020-21.

(b) to (e): Government has been receiving suggestions from various quarters to accord industry status to the agriculture sector. However, Government seeks to bestow on the agriculture sector as many benefits as available to those in the manufacturing sector, such as, easy availability of credit and other inputs and creation of infrastructure facilities for development of agriculture sector, including marketing and post- harvest management.

Details of various interventions/initiatives taken by the Government for the benefit of farmers during the last few years are given in the **Annexure**.

List of various Interventions and schemes Launched for the Benefit of Farmers

- (i) With a view to provide income support to all farmers' families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs, the Central 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 families, subject to certain exclusions relating to higher income groups.
- (ii) Further with a view 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 i.e. Pradhan Mantri Kisan MaanDhan Yojana (PM-KMY) for providing old age pension to these farmers. Under this Scheme, a minimum fixed pension of Rs. 3000/- will be provided to the eligible small and marginal farmers, subject to certain exclusion clauses, on attaining the age of 60 years.
- (iii) With a view to provide better insurance coverage to crops for risk mitigation, a crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched from Kharif 2016 season. This scheme provides insurance cover for all stages of the crop cycle including post-harvest risks in specified instances, with low premium contribution by farmers.
- (iv) Giving a major boost for the farmer's income, the Government has 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.
- (v) Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized.
- (vi) "Per drop more crop" initiative under which drip/sprinkler irrigation is being encouraged for optimal utilization of water, reducing cost of inputs and increasing productivity.
- (vii) "Paramparagat Krishi Vikas Yojana (PKVY)" for promoting organic farming.
- (viii) Launch of e-NAM initiative to provide farmers an electronic transparent and competitive online trading platform.
- (ix) Under "Har Medh Par Ped", agro forestry is being promoted for additional income. With the amendment of Indian Forest Act, 1927, Bamboo has been removed from the definition of trees. A restructured National Bamboo Mission has been launched in the year 2018 to promote bamboo plantation on non forest government as well as private land and emphasis on value addition, product development and markets.
- (x) Giving a major boost to the pro-farmer initiatives, the Government has approved a new Umbrella Scheme 'Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PMAASHA)'. 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.
- (xi) 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.

(xii) To ensure flow of adequate credit, Government sets annual target for the flow of credit to the agriculture sector, Banks have been consistently surpassing the annual target. The agriculture credit flow target has been set at Rs. 13.50 lakh crore for the F.Y.2019-20 and Rs.15.00 lakh crore for F.Y. 2020-21.

(xiii) Extending the reach of institutional credit to more and more farmers is priority area of the Government and to achieve this goal, the Government provides interest subvention of 2% on short-term crop loans up to Rs.3.00 lakh. Presently, loan is available to farmers at an interest rate of 4% per annum on prompt repayment.

(xiv) Further, under Interest Subvention Scheme 2018-19, in order to provide relief to the farmers on occurrence of natural calamities, the interest subvention of 2% shall continue to be available to banks for the first year on the restructured amount. In order to discourage distress sale by farmers and to encourage them to store their produce in warehouses against negotiable receipts, the benefit of interest subvention will be available to small and marginal farmers having Kisan Credit Card for a further period of upto six months post harvest on the same rate as available to crop loan.

(xv) The Government has extended the facility of Kisan Credit Card (KCC) to the farmers practicing animal husbandry and fisheries related activities. All processing fee, inspection, ledger folio charges and all other services charges have been waived off for fresh renewal of KCC. Collateral free loan limit for short term agri-credit has been raised from Rs.1.00 lakh to Rs.1.60 lakh. KCC will be issued within 14 days from the receipt of completed application.

(xvi) Various agricultural marketing reforms have been rolled out as follows:

- a. Model APLMC (Promotion & Facilitation) Act, 2017
- b. Establishment of 22,000 number of Gramin Agriculture Markets (GrAMs) as aggregation platforms
- c. Agri-Export Policy, that targets to double agri-exports by 2022
- d. The Farmers Produce Trade and Commerce (Promotion & Facilitation) Ordinance, 2020
- e. The Farmers (Empowerment & Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020
- f. Amendments to Essential Commodities Act, 1955, that deregulates various agri-commodities
- g. Promotion of 10,000 FPOs by 2024

(xvii) Creation of Corpus Funds

- a. Micro Irrigation Fund – Rs. 5,000 crore
- b. Agri-marketing Fund to strengthen eNAM and GrAMs – Rs. 2,000 crore
- c. Agricultural Infrastructure Fund (AIF) to build agri-logistics (backward & forward linkages) – Rs. 1 lakh crore
