

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

LOK SABHA
UNSTARRED QUESTION NO.430
TO BE ANSWERED ON THE 15TH SEPTEMBER, 2020

TARGET FOR FARMERS INCOME

430. SHRI DUSHYANT SINGH:

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

- (a) whether the Government has set a target for farmers' income for 2022;
- (b) if so, the details thereof and the base year set for the farmers' income target;
- (c) the income/wage earned annually by farmers State-wise from the base year to the latest available with annual percentage growth and annual percentage growth required to achieve the target set for 2022;
- (d) whether the target set for 2022 can be achieved at the current annual percentage growth rate;
- (e) if not, the plans, programmes or roadmap to achieve the target by 2022;
- (f) the annual percentage growth rate required from 2019-20 to achieve the target by 2022;
- (g) whether the Government has any plans to achieve the required annual percentage growth rate; and
- (h) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): The Government 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 submitted its Report to the Government in September, 2018 containing the strategy for doubling of farmers’ income by the year 2022. The DFI strategy as recommended by the Committee include seven sources of income growth viz., (i) improvement in crop productivity; (ii) improvement in livestock productivity; (iii) resource use efficiency or savings in the cost of production; (iv) increase in the cropping intensity; (v) diversification towards high value crops; (vi) improvement in real prices received by farmers; and (vii) shift from farm to non-farm occupations.

The year 2015-16 is taken as the base year, and targeted year for doubling is 2022. After acceptance of the DFI Committee recommendations, the Government has constituted an ‘Empowered Body’ to review and monitor the progress.

(c): As of now, there is no latest estimate of annual income of farmers achieved and the percentage annual increase for the states vis-a-vis the base year 2015-16. For the purpose of arriving at the average annual income for the year 2015-16, the DFI Committee extrapolated the NSSO survey based income estimates for the year 2012-13, and estimated that average farmers income stands at Rs. 96,703/- per year for the year 2015-16 at 2015-16 prices. State-wise average income of agricultural households at 2015-16 price is at **Annexure-I**.

It is the National Statistical Organisation (NSO) which will be conducting the Situation Assessment Survey, and then the income estimates will become available.

The Ministry is implementing various recommendations, and comprehensive interventions of the Government are having positive impact on growth of agriculture, and income of farmers.

(d) to (h): The Government has been pursuing the target of doubling farmers’ income as against the base year 2015-16, as per the annual growth targets.

The Government has adopted several developmental programmes, schemes, reforms and policies, that focus on higher incomes for the farmers. All these policies & programmes are being supported by higher budgetary allocations, non-budgetary financial resources by way of creating Corpus Funds, and supplementary income transfers under PM-KISAN. The latest major intervention includes the ‘Atma Nirbhar Bharat – Agriculture’ which includes comprehensive market reforms and creation of ‘Agricultural Infrastructure Fund (AIF)’ worth Rs. 1 lakh crores.

Agriculture being a State subject, the State Governments undertake implementation of programs/schemes for the development of the sector. Government of India supplements the efforts of the State Governments through various schemes/ programs. These schemes/ programs of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers. A list of initiatives taken by the Government are at **Annexure-II**. All these steps of the Government of India are for the welfare of the farmers of the country.

State-wise average income of agricultural households at 2015-16 prices

S. No.	Zone	State	2015-16
1	Northern Zone	Haryana	1,87,225
2		Punjab	2,30,905
3		Uttar Pradesh	78,973
4	North Eastern Zone	Arunachal Pradesh	1,76,152
5		Assam	85,962
6		Manipur	1,22,889
7		Meghalaya	1,80,384
8		Mizoram	1,28,494
9		Nagaland	1,37,139
10		Sikkim	1,20,633
11		Tripura	78,962
12	Eastern Zone	Bihar	45,317
13		Jharkhand	84,820
14		Odisha	63,285
15		West Bengal	78,708
16	Central Zone	Chhattisgarh	71,064
17		Madhya Pradesh	1,16,878
18	Western Zone	Goa	1,18,410
19		Gujarat	1,18,043
20		Maharashtra	1,00,033
21		Rajasthan	92,914
22	Southern Zone	Andhra Pradesh	1,04,092
23		Karnataka	1,54,399
24		Kerala	1,55,788
25		Tamil Nadu	1,33,568
26		Telangana	86,291
27	Northern Hill Zone	Himachal Pradesh	1,14,876
28		Jammu & Kashmir	1,72,216
29		Uttarakhand	61,833
30	Union Territories	Andaman & Nicobar Island	1,52,312
31		Chandigarh	3,38,362
32		Dadra & Nagar Haveli	1,09,002
33		Daman & Diu	1,09,067
34		Delhi	2,76,026
35		Lakshadweep	2,40,395
36		Puducherry	1,03,652
All India			96,703

Source: DFI Commit

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) Several market reforms have been rolled out. These include

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