

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

LOK SABHA
UNSTARRED QUESTION NO. 4407
TO BE ANSWERED ON THE 23rd MARCH, 2021

SCHEMES TO REDUCE AGRICULTURAL COSTS

4407. SHRI GIRISH BHALCHANDRA BAPAT

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

- (a) the names of schemes being implemented by the Government to reduce the agricultural cost along with the details thereof;
- (b) the amount of budget allocated for the said schemes and the amount spent thereon during the last five years;
- (c) the number of farmers who have benefited from the said schemes along with the details thereof;
- (d) the reduction in cost of agriculture per hectare by implementation of the schemes and the amount of increase in the income of farmers, the details thereof for the last five years; and
- (e) whether the Government proposes to reduce the rate of GST on necessary resources for agriculture, if so, the details thereof?

ANSWER

Minister of AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Agriculture is a State Subject. Government of India facilitates the State Governments to reduce agricultural cost through many Centrally Sponsored and Central Sector Schemes like Sub-Mission on Seeds and Planting Material (SMSP), National Project on Management of Soil Health and Fertility, Pradhan Mantri Krishi Sinchayee Yojana- Per Drop More Crop (PMKSY-PDMC), Paramparagat Krishi Vikas Yojana (PKVY), Sub Mission on Agricultural Mechanization (SMSP) etc. A statement on the amount allocated and spent thereon during the last five years is given as **Annexure-I**.

(c): Details of farmers benefited under Centrally Sponsored schemes are maintained mainly by State Governments. Number of farmers benefited under some of the schemes aimed at reducing agricultural costs are given in **Annexure-II**.

(d): While a comprehensive study regarding these issues is not available, summary of evaluation carried out in respect of some schemes is given in **Annexure-III**.

(e): GST rates on most of the raw agricultural items are at 0% (zero per cent) and processed agriculture items (secondary or tertiary) are 5%. Apart from this, most of the agricultural activities and services are also exempted from imposition of GST. For agricultural inputs, Department of Revenue has been requested to reduce the rates from time to time.

Budget Estimates 2015-2016 to 2017- 2018 (Plan+Non- Plan) (Net of recoveries)

Department of Agriculture, Cooperation & Farmers Welfare

(Rs. In crore)

S. No.	Name of Mission/Scheme	2015-16		2016-17		2017-18		2018-19		2019-20		2020-21	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual (upto February)
1	<i>Pradhan Mantri Krishi Sinchai Yojna - Per Drop More Crop PMKSY</i>	1850.00	1555.94	2340.00	1991.25	3400.00	2819.24	4000.00	2918.37	3500.00	2700.04	4000.00	1507.99
2	<i>National Project on Soil Health & Fertility</i>	200.00	139.96	368.30	234.88	458.76	201.10	407.84	320.20	333.95	164.97	324.43	164.60
3	<i>Paramparagat Krishi Vikas Yojna</i>	300.00	218.91	297.00	152.89	350.00	203.46	360.00	328.69	325.00	283.67	500.00	181.78
4	<i>Sub-Mission on Seeds & Planting Material</i>	179.00	145.39	186.10	170.10	206.06	428.87	340.60	338.39	387.73	291.19	389.04	176.93
5	<i>Sub-Mission on Agricultural Mechanization</i>	197.21	167.70	208.62	391.38	577.58	789.69	1200.00	1127.78	1033.34	992.18	1033.09	954.84
6	<i>National Food Security Mission</i>	1305.77	1166.88	1705.86	1292.20	1727.26	1384.24	1700.00	1614.69	2014.83	1779.88	2113.79	1452.32

Details of number of farmers benefitted- Scheme wise.**1. Seed Village Programme under Sub Mission on Seeds and planting Materials (SMSP)**

Sl. No.	Year	No. of farmers benefitted (in lakh)
1	2015-16	21.291
2	2016-17	18.134
3	2017-18	26.858
4	2018-19	34.152
5	2019-20	31.900

2. Paramparagat Krishi Vikas Yojana (PKVY)

S. No.	Name of the State	Phase-I			Phase-II		
		No of clusters	Area (in ha)	No of beneficiaries	No of clusters	Area (in ha)	No of beneficiaries
1	Andhra Pradesh	1300	26000.00	65000	4000	80000.00	200000
2	Bihar	427	8540.00	21350	0	0.00	0
3	Chhattisgarh	200	4000.00	10000	1000	20000.00	50000
4	Gujarat	100	2000.00	5000	0	0.00	0
5	Goa	4	80.00	200	500	10000.00	25000
6	Haryana	20	400.00	1000	0	0.00	0
7	Jharkhand	250	5000.00	12500	0	0.00	0
8	Karnataka	545	10900.00	27250	500	10000.00	25000
9	Kerala	619	12380.00	30950	0	0.00	0
10	Madhya Pradesh	1380	27600.00	69000	2448	48960.00	122400
11	Maharashtra	1258	25160.00	62900	0	0.00	0
12	Odisha	320	6400.00	16000	720	14400.00	36000
13	Punjab	250	5000.00	12500	0	0.00	0
14	Rajasthan	1150	23000.00	57500	5000	100000.00	250000
15	Tamil Nadu	112	2240.00	5600	200	4000.00	10000
16	Telangana	690	13800.00	34500	0	0.00	0
17	Uttar Pradesh	620	12400.00	31000	500	10000.00	25000
18	West Bengal	120	2400.00	6000	0	0.00	0
19	Assam	220	4400.00	11000	0	0.00	0
20	Arunachal Pradesh	19	380.00	950	0	0.00	0
21	Mizoram	34	680.00	1700	0	0.00	0
22	Manipur	30	600.00	1500	0	0.00	0
23	Nagaland	24	480.00	1200	0	0.00	0
24	Sikkim	150	3000.00	7500	0	0.00	0
25	Tripura	50	1000.00	2500	0	0.00	0
26	Meghalaya	45	900.00	2250	0	0.00	0
27	Himachal Pradesh	210	4200.00	10500	75	1500.00	3750
28	Jammu & Kashmir	28	560.00	1400	0	0.00	0
29	Uttarakhand	585	11700.00	29250	3900	78000.00	195000
30	Andman & Nicobar	68	1360.00	3400	0	0.00	0
31	Daman & Diu	55	1100.00	2750	0	0.00	0
32	Dadar Nagar	500	10000.00	25000	0	0.00	0
33	Delhi	500	10000.00	25000	0	0.00	0
34	Puducherry	8	160.00	400	0	0.00	0
35	Chandigarh	0	0.00	0	65	1300.00	3250
36	Lakshadweep	0	0.00	0	135	2700.00	6750
	Total	11891	237820.00	594550	19043	380860.00	952150

3. Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)- Per Drop More Crop

Details of No. of Farmers benefitted under PMKSY- PDMC from 2015-16 to 2020-21 (Till Date)							
S.No	State	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21 (Till Date)
1	Andhra Pradesh	93622	127174	163824	171536	103453	0
2	Bihar	-	-	3986	802	1589	1023
3	Chhattisgarh	7921	20401	14071	21423	31361	8189
4	Goa	-	130	247	174	93	-
5	Gujarat	127785	118293	84365	84399	76425	56855
6	Haryana	1764	919	2945	2810	4261	4179
7	Himachal Pradesh	7682	2103	2900	1042	6131	4117
8	Jharkhand	6367	3271	1521	6934	10782	252
9	Jammu & Kashmir	-	1769	962	1933	1383	1644
10	Karnataka	112861	165795	212182	227382	248937	158071
11	Kerala	852	758	556	1803	450	-
12	Madhya Pradesh	42379	51462	39581	44566	29195	1588
13	Maharashtra	47241	125010	217298	175084	172767	-
14	Odisha	3312	5124	2778	9349	10701	4180
15	Punjab	1452	1486	379	337	511	318
16	Rajasthan	29228	32768	32385	37850	39146	28916
17	Tamil Nadu	31614	60700	3589	156065	190025	178166
18	Telangana	39545	55118	83461	37596	3831	1521
19	Uttarakhand	1484	5043	2784	7482	7736	1825
20	Uttar Pradesh	1486	9449	20044	38393	41936	14996
21	West Bengal	-	-	-	7388	18340	9518
22	Arunachal Pradesh	-	-	43	662	1475	145
23	Assam	0	208	744	379	10949	485
24	Manipur	256	250	361	2562	2700	2840
25	Meghalaya	0	0	245	107	873	-
26	Mizoram	276	1056	1274	1165	1371	519
27	Nagaland	-	-	144	4655	4550	6500
28	Sikkim	1932	1658	-	6021	4191	-
29	Tripura	8665	-	1039	2706	3008	-
30	A&N Islands	-	-	-	-	-	-
Grand Total		559059	789945	892669	1049899	1025162	485847

4. Sub Mission on Agricultural Mechanization (SMAM)

Parameter	Year						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Nos of Demonstration conducted	3249	11704	331	19330	1350	10750	8200
Nos of Trainees Trained	13406	15160	9423	9689	11260	10065	9072
Nos of Agril Machinery distributed	69021	87545	151164	267451	384991	201769	120086
Nos of Custom Hiring Centre Established	663	268	1458	1851	3871	2155	3924
Nos of High Tech Hubs establishes	14	13	13	49	106	60	55
Farm Machinery Banks established at village level	436	218	1877	1852	1481	1964	5427

Major Findings of Evaluation Studies

i. National Project on Management of Soil Health and Fertility

As per feedback received from farmers from 21 states covering 171 districts, it emerged that application of fertilizers as per the recommendation of Soil Health Cards led to savings in nitrogen fertilizers like urea thereby resulting in reduction in cost of cultivation.

- Rice.– the cost of cultivation is reduced by 16-25% and savings of nitrogen are found to be around 20 Kg per hectare.
- Pulses – 10-15% reduction in cost of cultivation and savings of 10 Kg per hectare of urea is observed.
- Oil Seeds – reduction in cost of cultivation is 10-15% and savings on Nitrogen are 9 Kg/acre in sunflower, around 23 kg/acre in ground nut and around 30 kg/acre in castor.
- Cash crops – in case of cotton, reduction in cost of cultivation is 25% and savings on nitrogen fertilizer is around 35 kg/acre.
- Horticulture crops- In potato, 46 kg/acre of nitrogen saving is observed.

Judicious use of fertilizers also resulted in increased production of crops.

- Cereals-increase in production of 10-20% in paddy, 10-15% in wheat and Jowar.
- Pulses-Increase in production of 10-30% in pulses.
- Oilseeds- Increase in production of around 40% in oilseeds
- Cotton- Increase in production of around 10-20% in cotton

Savings on fertilizers and increase in production also resulted in increased income to farmers:

- Paddy: Increase in income of around Rs. 4500/ per acre
- Tur: Increase in income of Rs. 25000-30,000/- per acre
- Sunflower: Increase in income of around Rs. 25000/- per acre
- Groundnut: Increase in income of around Rs. 10000/- per acre
- Cotton: Increase in income of around Rs. 12000/- per acre
- Potato: Increase in income of around Rs. 3000/- per acre.

ii. Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)- Per Drop More Crop

NITI Aayog conducted evaluation study on PMKSY-Per Drop More Crop scheme in 2020. The major findings of the study are as under:

- The scheme is relevant in achieving national priorities such as substantially improving on-farm water use efficiency, enhancing crop productivity, generating employment opportunities etc.
- Micro irrigation adoption has helped to save water. Saving of water across various states are around 30 to 50% in Andhra Pradesh, 50% in Karnataka, 30% in Tamil Nadu, 70% in Jharkhand, 40 to 50% in Uttar Pradesh, 50% in Punjab, 40% in Bihar.
- Water use efficiency has improved around 30% to 70%.
- Created direct and indirect employment opportunities.
- Income of farmers has increased in the range of 10% to 69%.