

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

LOK SABHA
STARRED QUESTION NO. 119
TO BE ANSWERED ON THE 27TH JULY, 2021

DISTRESS AMONG FARMERS

*119. SHRI Y.S. AVINASH REDDY:

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

- (a) whether the Government is aware that fluctuations in market prices and excess or lack of rainfall cause severe distress to farmers;
- (b) if so, the preventive measures taken by the Government in this regard;
- (c) whether the Government is also aware that when the farmers are not able to sell their crops at desired rates, they fall into debt trap and find no other way to escape from debts and resort to committing suicide; and
- (d) if so, the steps being taken by the Government to reduce the rate of farmer suicides in the country?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री

(SHRI NARENDRA SINGH TOMAR)

(a) to (d): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA
STARRED QUESTION NO. 119 DUE FOR REPLY ON 27th JULY, 2021.**

(a) to (b): The market prices of agricultural produce is dependent on variety of factors at any given point of time like demand and supply of the produce, quality of produce, climatic conditions such as excess or lack of rainfall and availability of transportation etc., and change in any one factor even causes the fluctuations in market prices.

Government of India has taken several steps to protect the farmers from fluctuation in market prices and excess or lack of rainfall, leading to distress if any to farmers, by way of providing schemes and interventions for improving the income of farmers, some of which are as follows:

- i. Government launched an umbrella scheme of 'Pradhan Mantri Annadata Aay Sanrakshan Abhiyan' (PM-AASHA) by incorporating the erstwhile Price Support Scheme (PSS) with certain modifications.
- ii. 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.
- 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. 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.

(c) & (d): Government of India has taken several steps to facilitate farmers to sell their crops at desired rates and to protect the farmers from falling into debt trap, some of which are as follows:

- i. With a view to provide income support to all farmer families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs, Government had 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 instalments of Rs 2000/- .
- ii. 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 is implementing a new Central Sector Scheme i.e. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY) for providing old age pension to these farmers. Under this Scheme, provision has been made for a minimum fixed pension of Rs. 3000/- to the eligible small and marginal farmers, subject to certain exclusion clauses, on attaining the age of 60 years.
- iii. To ensure flow of adequate credit, Government sets annual target for the flow of credit to the agriculture sector and 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, Rs.15.00 lakh crore for F.Y. 2020-21 and Rs 16.50 lakh crore for FY 2021-22.
- iv. 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.
- v. 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 of post harvest on the same rate as available to crop loan.

- vi. The Government has extended the facility of Kisan Credit Card (KCC) to the farmers practicing animal husbandry and fisheries related activities. Processing fee, inspection, ledger folio charges and all other service charges for short term crop loans upto Rs.3.00 lakh have been waived off. Collateral free loan limit for short term agri-credit has been raised from Rs.1.00 lakh to Rs.1.60 lakh.
- vii. Government of India have been promoting agri marketing reforms/ various schemes to increase the farmers income, some of which are as follows:
 - a) Enacted new agri. reform Laws.
 - b) Launch of National Agriculture Market (e-NAM) platform to facilitates online trading of agricultural commodities to enable farmers to realize better remunerative prices for their produce.
 - c) Promotion of new Central Sector Scheme for Formation & Promotion of new 10,000 FPOs.
 - d) Promotion of farm gate infrastructure through Agriculture Infrastructure Fund (AIF).
