

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

LOK SABHA
UNSTARRED QUESTION NO. 355
TO BE ANSWERED ON THE 20TH JULY, 2021

PROGRESS IN DOUBLING FARMER INCOME

355. SHRI BENNY BEHANAN:
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Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) The progress made towards doubling of farmer income levels by the year 2022 as committed by the Government;
- (b) The average monthly income of farmers in 2014- 15 and at present and the methodology for calculating the same;
- (c) The target average monthly income of farmers that the Government intends to achieve by 2022-23 after accounting for inflation;
- (d) The reasons for the decline in allocation to the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Yojana from Rs. 75,000 crore Budget Estimate 2020-21 to Rs. 65,000 crore Budget Estimate 2021-22;
- (e) Whether this decline will impact the goal of doubling farmers' incomes; and
- (f) 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): The strategy adopted by the Government for increasing the income is (i) higher volume of output through higher productivity (ii) lower cost of production and (iii) higher real remunerative returns on the farmers' produce.

In case of production the farmers have been registering higher productivity across all segments of Agriculture. There has been record growth in total output of food grains, oilseeds, horticulture, milk and so on. The annual production under various sectors has increased appreciably as seen at the end of the year 2020-21. These include a food grains output of 303.34 MTs as against 252.23 MTs(2015-16); 326.58 MTs of fruits & vegetables as against 259.3 MTs (2015-16); 208 MTs of milk as against 155.49 MTs (2015-16).

Major emphasis has been on post-harvest management, which is helping farmers in getting better returns on their produce. These include e-NAM, new state marketing Act, direct trade, contract farming, FPOs, agri-logistics, food processing and so on besides healthier procurement operations.

Government's emphasis on robust procurement of agricultural produce has also ensured better returns to farmers and served as an incentive. In addition to increases in procurement of paddy & wheat through FCI, the quantum of procurement of pulses & oilseeds has leap frogged since 2014-15. Under the new procurement scheme called PM-AASHA, NAFED has been procuring much more than before. A list of achievements of the Government towards doubling of farmers income is at **Annexure**.

(b) & (c): As of now, there is no latest estimate of annual income of farmers achieved and the percentage annual increase 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.

(d): PM-KISAN is an ongoing and continuous Scheme. The entire responsibility of identification of beneficiaries rests with the State / UT Governments. An exclusive web-portal www.pmkisan.gov.in has been launched for the Scheme. The financial benefits are released to the beneficiaries on the basis of the data of farmers

prepared and uploaded by them on the PM-KISAN web-portal. The data uploaded by the State/UT Governments undergoes three levels of validation. Data that passes all three levels of validation is then processed for the release of benefits. Any data that is found incorrect is sent back to the respective States/UTs for correction.

Budgetary allocations are made at the beginning of financial year based on the anticipated expenditure to be incurred in the financial year, however, any additional requirement of funds based on the actual expenditure is fulfilled by the Government by way of supplementary grants.

(e) & (f): The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme is being implemented with a view to provide income support to all landholding farmer families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs. The Scheme, effective from 1.12.2018, aims to provide a payment of Rs.6000/- per year for the farmers' families with cultivable land holding, subject to certain exclusions. The financial benefit of Rs.6000/- is being released by the Central Government in three 4-monthly instalments of Rs.2000/- over the year directly into the bank accounts of the eligible farmers under Direct Benefit Transfer mode. Any additional requirement of funds will be fulfilled by Government by way of supplementary grants. Central Government has been requesting State Governments from time to time so that all eligible farmers are covered under PM-KISSAN Scheme.

ACHIEVEMENTS

1. **Unprecedented enhancement in budget allocation**
In the year 2013-14, the Budget allocation for Department of Agriculture was only Rs. 21933.50 crore. This has been increased by more than 5.5 times to **Rs. 1,23017.57 crore** in 2021-22.
2. **Record food grains and horticulture production**
Food grain production has increased from 265.05 million tonnes in 2013-14 to record **303.34 million tones** in 2020-21 which is the highest ever food grain production as per the 2nd advance estimates for 2020-21. This is the first time that the 300 million mark will be crossed. Horticulture production has increased from 280.99 million tonnes in 2014-15 to 320.77 million tonnes in 2019-20 which has further increased to **326.58 million tonnes** in 2020-21 (1st advance Estimate) which is the highest ever for Indian horticulture.
3. **Fixing of MSP at one-and-a half times the cost of production –**
 - Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of at least 50 per cent over all India weighted average cost of production from 2018-19.
 - MSP for Paddy has increased to Rs. 1868 per quintal in 2020-21 from Rs. 1310 per quintal in 2013-14 marking an increase of 43%.
 - MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 1975 per quintal in 2020-21.
4. **Increase in procurement from farmers**
 - MSP payment to farmers for pulses has increased by 95.93 times during the last five years (2016-17 to 2020-21) in comparison to the period from 2009-10 to 2013-14. MSP Payment of Rs 61,861 Crore has been made as against Rs 645 Crore of the previous 5 years.
 - MSP payment to farmers for oilseeds and copra has increased by 10.80 times during the last five years (2016-17 to 2020-21) in comparison to the period from 2009-10 to 2013-14. MSP Payment of Rs 26627 Crore has been made as against Rs 2460 Crore of the previous 5 years.
5. **Income support to farmers through PM KISAN**
Launch of PM-KISAN in 2019 -an income support scheme providing Rs. 6000 per year in 3 equal instalments. A total of **Rs. 1,37,192 crore** has been released so far to **10.90 crore farmer families**.

6. **PradhanMantriFasalBimaYojana (PMFBY)**

PMFBY was launched in 2016 addressing problems of high premium rates for farmers and reduction in sum insured due to capping. In past 4 years of implementation – 23 crore farmer applicants enrolled and over 7.7 crore farmer applicants have received **claims of over Rs. 92,000 crore**. During this period nearly Rs.17,537 crore were paid by farmers as their share of premium against which claims of nearly Rs.92,000 Crore have been paid to them. Thus, for every 100 rupees of premium paid by farmers, they have received Rs. 520 as claims.

7. **Institutional credit for agriculture sector**

- Increased from Rs. 7.3 lakh crore in 2013-14 with a target to reach Rs. 16.5 lakh crore in 2021-22.
- Benefit of concessional institutional credit through KCC at 4% interest per annum has also now been extended to Animal Husbandry and Fisheries farmers for meeting their short-term working capital needs.
- A special drive has been undertaken since February 2020 to provide concessional credit to PM-KISAN beneficiaries through Kisan Credit Cards. 210.27 lakh new KCC applications sanctioned and Rs. 2,04,292 crore loan sanctioned as part of the drive.

8. **Providing Soil Health Cards to farmers**

Soil Health Card Scheme was introduced in the year 2014-15 to optimize usage of nutrients. Soil health cards have been issued free of cost to nearly 11 crore farmers under a nationwide program.

9. **Promotion of organic farming in the country**

- ParamparagatKrishiVikasYojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. 30934 clusters have been formed and an area of 6.19 lakh ha has been covered benefitting 15.47 lakh farmers.
- Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 170 Farmer Producer Companies have been formed comprising of 83,096 farmers and covering 79,445 ha area.

10. **Neem Coated Urea**

Neem Coated Urea has been introduced since 2015-16 to ensure long availability of nutrients in the soil by slow release of nitrogen. It has also helped in curtailing diversion of urea for non- agricultural activities.

11. Agri Infrastructure Fund

Rs. 1 lakh crore Agriculture Infrastructure Fund (AIF) has been launched to provide medium to long term debt financing for investment in viable projects for post-harvest management Infrastructure and community farming assets through 3% interest subvention and Credit Guarantee support for loans upto Rs. 2 crore. As on date, 3055 projects of Primary Agricultural Credit Societies worth a loan amount of Rs. 2991 crore have been sanctioned by NABARD. 1134 Projects (other than PACs) worth Rs. 1155 Crore have already been approved by PMU for financing under the scheme. Rs.286 crore has been sanctioned by banks for 276 projects.

12. Promotion of FPOs

- Scheme for Formation and Promotion of 10,000 FPOs launched with a total budgetary provision of Rs. 6865 Crore in February 2020.
- The scheme was formally launched by the Hon'ble Prime Minister on 28th February, 2020 at Chitrakoot, UP. The First Anniversary of the launching of the Scheme was celebrated on 1st March, 2021 wherein Hon'ble Agriculture Minister Shri Narendra Singh Tomar was the chief Guest.
- Initially there will be three implementing Agencies viz. Small Farmers Agri-Business Consortium (SFAC), National Cooperative Development Corporation (NCDC) and National Bank for Agriculture and Rural Development (NABARD) to form and promote FPOs. Additionally, 06 more Implementing Agencies (IAs) have been finalized for formation and promotion of FPOs viz. National Agricultural Cooperative Marketing Federation of India (NAFED), North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC), Tamil Nadu-Small Farmers Agri-Business Consortium (TN-SFAC), Small Farmers Agri-Business Consortium Haryana (SFACH), Watershed Development Department (WDD)- Karnataka & Foundation for Development of Rural Value Chains (FDRVC)- Ministry of Rural Development (MoRD).
- Cluster Based Business Organizations (CBBOs) have been empanelled by different IAs and already allocated blocks to them.
- At national level, a National Project Management Agency (NPMA) is engaged for providing overall project guidance, data maintenance through integrated portal and information management and monitoring.
- During 2020-21, more than 2300 FPO produce clusters have been allocated to respective Implementing Agencies (IAs).
- So far, 245 FPOs already registered under new FPO scheme.
- Bankers Institute of Rural Development (BIRD), Lucknow had launched training modules for FPOs, CBBOs, IAs & other stakeholders etc.

- As per the Scheme Guidelines, a Credit Guarantee Fund of Rs.1000 Crore to be created in NABARD with equal contribution from the Government and NABARD. Accordingly, the first annual contribution of Rs. 115 crore was released to NABARD in the month of March 2021".

13. **A National Bee and Honey Mission (NBHM)** has been launched in 2020 as part of the AtmaNirbhar Bharat Abhiyan. Rs.500 crore for the period 2020-2021 to 2022-2023 has been allocated for the sector.

14. **Per Drop More component of Pradhan Mantri Krishi Sinchai Yojana (PMKSY-PDMC)** : Per Drop more Crop component of PradhanMantriKrishiSinchaiYojana(PMKSY - PDMC) aims to increase water use efficiency at the farm level through Micro Irrigation technologies i.e. drip and sprinkler irrigation systems. An area of **56.31** lakh hectare area has been covered under micro irrigation from the year 2015-16 till date in the country. An amount of **Rs. 14,548.04** crore as central assistance has been provided to states under PMKSY-PDMC since 2015-16.

15. **Micro Irrigation Fund**

A Micro Irrigation Fund of Rs 5000 crore has been placed with NABARD. In the Budget for 2021-22 the corpus of the fund has been increased to Rs.10000crores. Projects worth Rs 3970.17 crore covering 12.83 lakh hectares have been approved.

16. **Agricultural Mechanization**

Agricultural mechanisation is extremely vital to modernise agriculture and reduce drudgery of farming operations. During the period from 2014-15 to 2020-21 an amount of Rs.4633.35 crore have been allocated for agricultural mechanisation. 1291198 numbers of machines and equipments have been provided to farmers on subsidy. 14182 custom hiring centers, 310 high-tech hubs and 13371 farm machinery banks have been established.

17. **Changes in Disaster Relief Standards**

- Major changes were made in disaster relief standards and assistance amount of all categories was increased by one and a half times.
- Earlier, compensation was payable only on crop loss of more than 50%. Compensation is now payable even if the loss is 33% only.
- The Ex-gratia payment to families of deceased victims of natural disasters has been increased from Rs.1.5 lakh to **Rs.4 lakh**.

- Admissibility of assistance has been increased from one hectare to two hectare.

18. **Setting up of E-NAM extension Platform**

- In 18 states and 03 UTs, 1000 markets have been integrated with the E-NAM Platform. In the Budget 2021-22, another 1000 mandis will be integrated with e-NAM.
- As of 09.05.2021, total volume of 4.41 crore MT & 6.10 crore numbers (Bamboo, Betel Leaves, Coconut, Lemon & Sweet corn) collectively worth approximately Rs. 1.35 lakh crore of trade has been recorded on e-NAM platform.

19. **Improvement in farm produce logistics, Introduction of Kisan Rail.**

Kisan Rail has been launched by Ministry of Railways to exclusively cater to movement of perishable agri-horti commodities. First Kisan rail was started in August 2020. Currently, 658 No. of trips on 58 routes are being operated through Kisan Rails by Indian Railways.

20. **Creation of a Start-up Eco system in agriculture and allied sector**

646 start-ups in the agriculture and allied sectors have been selected for funding for a sum of Rs. 69.92 crore in instalments and a total of Rs. 33.94 crore have been released (as a 1st instalment and 2nd installment) for funding these start-ups. These start-ups were trained for two months at various agribusiness incubation centres i.e. Knowledge Partners (KPs) & RKVY-RAFTAAR Agribusiness Incubators (R-ABIs).

21. **Successful control of Two major Locust Attacks**

In the country in 2019-20 & 2020-21 by aggressively carrying out control operations including use of drones for locust control.

Locust attack was reported in India during 2019-20 and 2020-21, when locusts migrated to India after a gap of 26 years. During 2019-20, locust incursion was reported in three States of Rajasthan, Gujarat and Punjab, while in 2020-21, there was locust incursion in ten States. However, due to the concerted and coordinated efforts of the Central Government, State Governments and the Farmers the Locust incursions were effectively controlled.
