

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

**LOK SABHA**  
**STARRED QUESTION NO. 322**  
TO BE ANSWERED ON THE 21<sup>st</sup> DECEMBER, 2021

**PROTECTION OF FARMERS' INTERESTS**

†\*322. SHRI VIVEK NARAYAN SHEJWALKAR:

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

- (a) whether the Government is aware that farmers are being exploited by middlemen;
- (b) if so, the steps being taken by the Government for the protection of the interests of farmers and to save them from the clutches of middlemen; and
- (c) the steps being taken in the direction of agricultural reforms?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): A statement is laid on the table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA  
STARRED QUESTION NO. 322 FOR ANSWER ON 21.12.2021 BY SHRI VIVEK  
NARAYAN SHEJWALKAR REGARDING “Protection of Farmers’ Interests”.**

(a) to (c): Most of the State Governments and Union Territories have enacted their own legislations through State Agriculture Produce Market Committee (APMC) Acts to provide for regulation of Agricultural Produce Market Committees (APMCs) which also includes the role of commission agents. The Government of India had circulated a model “The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017” on 24th April, 2017 for its adoption by States/UTs, which provides for alternative marketing channels, direct marketing, setting up of private markets, farmer-consumer markets, special commodity markets, declaring warehouses /silos/ cold storages as market sub yards to promote agriculture marketing including to reduce the number of intermediaries between producer and buyer for facilitating better remunerative prices for farmers’ produce.

Further, to protect the farmers from exploitation by the middlemen, the Government has taken various steps/ initiatives / done agricultural reforms, which are as follows:-

- (i) Government is implementing a reform linked scheme called National Agriculture Market (e-NAM) for transparent price discovery with competitive and remunerative prices for the farmers’ produce through online bidding system, which will help protect the farmers from exploitation by the middlemen. So far, 1000 mandis of 18 States and 3 UTs have been integrated with e-NAM platform. The agricultural produce trade with a value of Rs.1.62 lakh crore have been recorded on e-NAM platform. NAM permits farmers’ to sell their produce through competitive online transparent bidding system without going through the commission agents.

- (ii) Government of India has launched the Central Sector Scheme for “Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)” in the year 2020 with the main focus on increasing the bargaining capacity of the farmers, thus helping in increase of farmers’ income. FPO trading module has been launched in National Agriculture Market (e-NAM) platform to facilitate FPOs to trade their agricultural produce from their collection centres without bringing the produce to Agricultural Produce Market Committee markets. Warehouse based trading module was also launched in e-NAM platform to enable farmers to sell their produce from WDRA registered warehouses notified as deemed market.
- (iii) The Government of India had launched the Kisan Rath Mobile App on 17.04.2020 to address the issue of transportation of agricultural produce of farmers and other stakeholders.
- (iv) Pradhan Mantri Kisan Samman Nidhi (PM-KISAN): With a view to provide income support to all farmers’ families across the country and 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 instalments of Rs. 2000/- to the farmers families, subject to certain exclusions relating to higher income groups. A total of Rs. 1.6 lakh crore have been released so far to more than 11.5 crore farmer families.
- (v) Pradhan Mantri Fasal Bima Yojana (PMFBY): 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. During this period nearly Rs. 21450 crore were paid by farmers as their share of premium against which claims of over Rs.101875 crore (Provisional) have paid to them. Thus for every 100 rupees of premium paid by farmers, they have received Rs. 475 as claims.

(vi) “Paramparagat Krishi Vikas Yojana (PKVY)” for promoting organic farming. From 2018-19 to 2020-21, achievement under PKVY scheme-19043 clusters have been formed and an area of 3.81 lakh ha has been covered benefitting 9.52 lakh farmers. In addition, under Namami Gange Programme 123620 ha area covered and under natural farming 4.09 lakh ha area covered.

(vii) In order to provide remunerative price to the farmers, Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), implements “Pradhan Mantri Annadata Aay SanrakshAn Abhiyan” (PM-AASHA), comprising Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement and Stockist Scheme (PPSS). The procurement of Pulses, oilseeds and copra at Minimum Support Price (MSP) under Price Support Scheme (PSS) has increased upto to 167.05 Lakh MT during 2014- 15 to 2021-22( upto 22.07.2021). Moreover, 16.83 Lakh MT of oilseeds had also been procured under Price Deficiency payment Scheme (PDPS) in 2018-19. In addition to this around 15.53 Lakh MT of Pulses has also been procured at MSP under Price Stabilization Fund (PSF) under administrative control of Department of Consumer Affair.

(viii) Mission for Integrated Development of Horticulture (MIDH): 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.

(ix) Institutional Credit for Agriculture: 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, Rs. 15.00 lakh crore for F.Y. 2020-21 and Rs. 16.50 lakh crore for FY 2021-22.

(x) Interest Subvention Scheme: 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.

(xi) 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.

(xii) Kisan Credit Card (KCC): 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.

(xiii) Government had approved a new central sector scheme viz., Agriculture Infrastructure Fund (AIF) of Rs. 1,00,000 Crore to provide a medium-long term loan facility for post-harvest market infrastructure including warehousing facility and community farming assets through interest subvention and financial support. In order to strengthen the infrastructure in the mandis, Agricultural Produce Market Committees (APMCs) have been recognized as one of the eligible entities under AIF.

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