

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

LOK SABHA
UNSTARRED QUESTION NO. 1401
TO BE ANSWERED ON THE 7TH DECEMBER, 2021

INCREASING INCOME OF FARMERS

1401. SHRI SAPTAGIRI SANKAR ULAKA:

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

- (a) the details of steps taken by the Government to increase the income of farmers of the country including in Odisha;
- (b) whether the three farm acts were introduced to increase the income of farmers; and
- (c) if so details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) The Government has adopted several developmental programmes, schemes, reforms and policies that focus on higher incomes for the farmers of the country including in Odisha. All these policies & programmes are being supported by higher budgetary allocations, non-budgetary financial resources by way of creating Corpus Funds like Micro Irrigation Fund etc. There have been several reforms to unleash the potential, e.g. Promotion of 10,000 FPOs along with necessary financial support under Atma Nirbhar Package (Agriculture). Under Atma Nirbhar Bharat special attention is being paid for creation of infrastructure for which “ Agri Infrastructure Fund (AIF) has been created with a size of Rs. 100,000 crore. Other special initiatives include Supplementary Income transfers under PM-KISAN; Pradhan Mantri Fasal Bima Yojna (PMFBY); Pradhan Mantri Krishi Sinchai Yojana (PMKSY); Increase in Minimum Support Price (MSPs) for all Kharif & Rabi Crops ensuring a minimum of 50 percent of profit margin on the cost of production to provide remunerative price to farmers; Har Med Par Ped; Bee-Keeping; Rashtriya Gokul Mission; Blue Revolution; Interest Subvention Scheme; Kisan Credit Card (KCC) that now offers production loan to even dairy & fishery farmers besides agricultural crops etc. A list of interventions is at **Annexure**.

The programmes and schemes of Government of India, under implementation, are in line with the strategy that focuses on higher incomes for the farmers, including in the state of Odisha besides the State run schemes such as Odisha Millet Mission, KALIA, Jananidhi, Farm Pond, Input Management, Corpus funds for seeds and fertilisers and Mukshyamantri Krushi Udyog Yojana.

(b) & (c) : The three Farm Acts viz, “The Farmers’ Produce Trade and Commerce(Promotion and Facilitation) Act, 2020”, “The Farmers (Empowerment and Protection)Agreement On Price Assurance and Farm Services Act, 2020” and “The Essential Commodities (Amendment) Act, 2020, were intended to provide an ecosystem where the farmers can enjoy the freedom of choice relating to sale of farmers’ produce which facilitates remunerative prices to farmers through competitive alternative channels for selling their produce. These three Acts however have been repealed through, “The Farm Laws Repeal Act, 2021” on 01st December, 2021.

List of various interventions and schemes launched for the benefit of farmers

- (i) **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN):** 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 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**.
- (ii) **Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY):** 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 Maan Dhan 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) **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.
- (iv) **Minimum Support Price (MSPs):** Giving a major boost for the farmers' income, the Government has approved the increase in the Minimum Support Price (MSPs) for all Kharif & Rabi crops.
- 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.

- (v) **Soil Health Cards:** Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized. Soil health cards have been issued free of cost to nearly 11 crore farmers under a nationwide program.
- (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. Per Drop More Crop component of Pradhanmantri Krishi Sinchai Yojana (PMKSY_PDMC) aims to increase water use efficiency at the farm level through Micro Irrigation technologies, i.e., drip and sprinkler irrigation systems. Under the scheme an area of 20.39 lakh hectare has been covered and about 16 lakh farmers were benefited under micro-irrigation during 2019-20 & 2020 – 21. An amount of Rs. 5262.20 crore has been provided to states as central assistance under PMKSY-PDMC during 2019-20 and 2020-21. For the year 2021-22, an amount of Rs. 4000.00 crore (B.E.) has been allocated for implementation of the scheme and an amount of Rs. 351.50 crore released to States so far.
- (vii) **“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.
- (viii) **National Agriculture Market (e-NAM) scheme:** Launch of e-NAM initiative to provide farmers with transparent and competitive online trading platform.
- In 18 states and 03 UTs, 1000 markets have already been integrated with the E-NAM Platform.
 - As of 24.11.2021, total volume of 4.99 crore MT & 10.57 crore numbers (Bamboo, Betel Leaves, Coconut, Lemon & Sweet corn) with collective worth of approximately Rs. 1.57 lakh crore of trade has been recorded on e-NAM platform. So far, more than 1.72 crore farmers and 2.04 lakh traders have been registered with e-NAM platform
- (ix) **Har Med Pard Ped:** Under the scheme, 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) **Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PMAASHA):** 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 the 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) **Price Support Scheme (PSS):** Increase in procurement under PSS:- The procurement of Pulses, oilseeds and copra at MSP under Price Support Scheme (PSS) has increased upto to 167.05 LMT during 2014- 15 to 2021-22(upto 22.07.2021). Moreover, 16.83 LMT of oilseeds had also been procured under Price Deficiency payment Scheme (PDPS) in 2018-19. In addition to this around 15.53 LMT of Pulses has also been procured at MSP under Price Stabilization Fund (PSF) under administrative control of Department of Consumer Affair.
- (xii) **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.
- (xiii) **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.
- (xiv) **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.
- (xv) 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.
- (xvi) **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.

- (xvii) Several market reforms related programmes and policies have been rolled out to facilitate farmers and producers with remunerative price for their produce.

(xviii) Creating of Corpus Fund

- a. Micro Irrigation Fund – Rs. 10,000 crore
- b. Agriculture Infrastructure Fund of Rs. One Lakh Crore -

- (xix) **Farmers' Producer Companies (FPOs):** Formation and Promotion of Farmers' Producer Companies (FPOs) to form and promote 10,000 FPOs.
