

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

LOK SABHA
UNSTARRED QUESTION NO. 2184
TO BE ANSWERED ON THE 15TH MARCH, 2022

INCENTIVES TO FARMERS

2184. SHRIMATI SHARDABEN ANILBHAI PATEL:
SHRI MITESH RAMESHBHAI PATEL (BAKABHAI):

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

(a) the details of various concessions/incentives being provided to farmers for the development of agriculture sector, if so, the details thereof;

(b) whether some suggestions have been received from various sectors for giving industrial status to agriculture sector, if so, the details thereof;

(c) the details of benefits which the farmers are likely to get from such initiatives; and

(d) the details of measures initiated by the Government for the sustainable development of the agriculture sector and the farmer along with the details of the outcome thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): Agriculture being a State Subject, the State Governments take appropriate measures for development of agriculture in the State. However, Government of India supplements the efforts of States through appropriate policy measures and budgetary support and various schemes/ programmes. The various schemes/ programmes of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers. Various concessions/ incentives being provided to the farmers under various schemes are as under:

Pradhan Mantri Kisan Samman Nidhi (PM-KISAN): The project aims at providing income support to all farmers' families across the country. The scheme provides a payment of Rs.6000/- per year to farmer's families, in three, 4- monthly equal installments of Rs.2000/- subject to certain exclusion criteria.

Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY): Under this Scheme, a minimum fixed pension of Rs. 3000/- is provided to the eligible small and marginal farmers, subject to certain exclusion clauses, on attaining the age of 60 years.

Mission for Integrated Development of Horticulture (MIDH): Under MIDH Guidelines, in a component namely Integrated Post Harvest Management (PHM), assistance is provided for value addition through setting up of infrastructure and logistic support like primary processing unit, integrated pack house, pre-cooling units, on farm pack houses, mobile pre-cooling units, staging cold rooms, refrigerated vans etc.

Entrepreneurs, private companies, cooperatives, farmers groups etc, can avail assistance for individual component or combination of different components, through commercial ventures, for which assistance @ 35% of admissible project cost in general areas and @ 50% of admissible project cost in hilly and scheduled area, as credit linked back ended subsidy through respective State Horticulture Missions. In case of Food Processing units in North Eastern and Himalayan States, assistance is provided @ 50% of the admissible project cost. Under the Scheme assistance is also provided for Primary/ Mobile/ Minimal Processing Units @ 40% of the capital cost of Rs. 25.00 lakh/project in general areas and @55% in case of hilly and scheduled areas.

Pradhan Mantri Kisan Sampada Yojana (PMKSY): MoFPI provides financial assistance in the form of grant-in-aid at the rate of 35% for general areas and 50% for North East States, Himalayan States, Integrated Tribal Development Project areas and Islands for storage and transport infrastructure and at the rate of 50% and 75% respectively for value addition and processing infrastructure subject to a maximum grant-in-aid of Rs. 10 crore per project for setting up integrated cold chain projects. In addition to Integrated Cold Chain and Value Addition Projects, Projects of Agro Processing Cluster, Mega food Park etc. are also supported under PMKSY.

Minimum Support Price (MSP): 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.

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 besides short-term crop loans up to Rs 3 Lakhs. All processing fee, inspection, ledger folio charges and all other services charges have been waived off for fresh renewal of KCC.

Benefit of concessional institutional credit through KCC at 4% interest per annum on prompt repayment, has also now been extended to Animal Husbandry and Fisheries farmers for meeting their short-term working capital needs.

Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)-Per Drop More Crop: Under the per drop more crop component of PMKSY financial assistance is available @ 55% for small and marginal farmers and @ 45% for other farmers for installation of Drip and Sprinkler Irrigation systems. Further, 25% higher unit cost have been taken into calculation of subsidy for the North Eastern and Himalayan states and 15% higher for States with low penetration of Micro Irrigation for larger adoption of systems by the farmers under the scheme.

Pradhan Mantri Fasal Bima Yojana (PMFBY): PMFBY was launched from Kharif 2016 season to provide better insurance coverage to crops for risk mitigation with a view to low premium contribution by farmers.

“Paramparagat Krishi Vikas Yojana (PKVY)” - To promote organic farming in cluster mode, farmers are provided financial assistance of Rs.50,000/- per hectare for three years in which, Rs.31000/- per hectare for three years is provided directly to farmers through DBT for organic inputs such as seeds, bio-fertilizers, bio-pesticides, organic manure, compost/ vermi-compost, botanical extracts etc.

Bhartiya Prakritik Krishi Padhati (BPKP): Government Promotes natural farming through BPKP, a sub-scheme of PKVY, to support traditional indigenous practices. Under the scheme, financial assistance of Rs.12,200/- per hac for three years is provided for cluster formation, capacity building and continuous hand holding by trained personnel, certification and residue analysis.

Mission Organic Value Chain Development for North Eastern Region (MOVCDNER): It Is implemented in all North-Eastern States. Under the scheme, a sum of Rs.46,575/- per hac for three years is provided for creation of Farmers Producer Organization (FPO), support to farmers for organic inputs, quality seeds/planting material and training, handholding and certification. Besides financial assistance is also provided as subsidy to FPOs and Private Entrepreneurs.

Sub-Mission on Agricultural Mechanization(SMAM): The scheme promotes Custom Hiring Centers (CHC) to offset the adverse economies of scale arising due to small land holdings and high cost of individual ownership.

Rashtriya Krishi Vikas Yojana (RKVY): The funds under the scheme are released to the State Governments as Grants-in-aid on the basis of projects in agriculture and allied sectors approved by the State Level Sanctioning Committee Meeting (SLSC) headed by the Chief Secretary of the concerned States. States have been provided flexibility and autonomy for selection, planning approval and execution of projects/ programmes under the scheme in the State as per its requirement in areas which requires focused attention for increasing production and productivity in the State. The funding pattern of RKVY is 60:40 between Centre and States and 90:10 for North Eastern and Himalayan States. For UTs, it is 100% central share.

Rashtriya Krishi Vikas Yojana (RKVY) - RAFTAAR (Remunerative Approaches for Agricultural and Allied Sector Rejuvenation): The scheme aims to promote innovation and agripreneurship by providing financial support and nurturing the incubation ecosystem. The three components under RKVY-RAFTAAR with financial assistance are as under:

- a) Agripreneurship Orientation – 2 months duration with a stipend of Rs.10,000/- per month. Mentorship is provided on financial, technical, IP issues etc.
- b) Seed Stage Funding of R-ABI(RAFTAAR Agribusiness incubators) Incubatees- Funding upto Rs. 25 lakhs (85% grant & 15% contribution from the incubate).
- c) Idea/Pre-Seed Stage Funding of Agripreneurship- Funding up to Rs. 5 lakh (90% grant and 10% contribution from the incubate).

Animal Husbandry Infrastructure Development Fund: it incentivizes investments by individual entrepreneurs, private companies, MSME, Farmers Producers Organizations (FPOs) and Section 8 companies to establish (i) the dairy processing and value addition infrastructure, (ii) meat processing and value addition infrastructure and (iii) Animal Feed Plant.

National Animal Disease Control Programme (NADCP) for control of Foot & Mouth Disease and Brucellosis: The programme is meant for control of Foot & Mouth Disease and Brucellosis” by vaccinating 100% cattle, buffalo, sheep, goat and pig population for FMD and 100% bovine female calves of 4-8 months of age for brucellosis. This scheme provides 100% financial assistance.

Rashtriya Gokul Mission: Under this scheme, breed improvement activity is supported through support to semen production facilities, bull production programme and breed multiplication farms. 50% capital subsidy is made available to entrepreneurs directly for breed multiplication farms for production and supply of high genetic merit heifers to farmers.

Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities (SDCFPO): The scheme is being implemented by National Dairy Development Board for providing soft loans for working capital to enable Cooperative Societies and farmer producer organizations engaged in dairy activities to provide a stable market access to farmers.

Livestock Health and Disease Control: The scheme is being implemented to supplement the efforts of the State/UT Governments towards prevention, control and containment of animal diseases of economic and zoonotic importance, by vaccination.

The funding pattern is 100% central assistance for the CADCP and the non-recurring components of ESVHD, and 60:40 between Central and State for the other components as well as for ASCAD, with 90:10 for hilly and NE States and 100% for UTs.

(b) to (d): Government has been receiving suggestions from various sectors for giving industrial status to agriculture sector. However, Government seeks to bestow on the agriculture sector as many benefits as available to those in the manufacturing sector, such as, easy availability of credit and other inputs and creation of infrastructure facilities for development of agriculture sector, including marketing and post-harvest management.

The details of achievements in the Agriculture sector is at **Annexure**.

Achievements:**(i) 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.

(ii) Record food grains and horticulture production

Food grain production has increased from 265.05 million tonnes in 2013-14 to record 305.43 million tonnes in 2020-21 (Third advance estimate) which is the highest ever food grain production. Horticulture production has increased from 280.99 million tonnes in 2014-15 to 320.48 million tonnes in 2020-21 (2nd advance Estimate) which is the highest ever for Indian horticulture.

(iii) 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. 1940 per quintal in 2021-22 from Rs. 1310 per quintal in 2013-14 marking an increase of 48%.
- MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 2015 per quintal in 2021-22.

(iv) 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. 1.8 lakh crores have been released so far to more than 11.7 crore farmer families.**(v) Pradhan Mantri Fasal Bima Yojana (PMFBY) :** PMFBY was launched in 2016 addressing problems of high premium rates for farmers and reduction in sum insured due to capping. In past 5 Years of implementation – 29.29 crore farmer applicants enrolled and over 8.99 crore (Provisional) farmer applicants have received claims of over Rs. 103903 crore. During this period nearly Rs. 21448 crore were paid by farmers as their share of premium against which claims of over Rs.103903 crore (Provisional) have paid to them. Thus for every 100 rupees of premium paid by farmers, they have received Rs. 484 as claims.**(vi) 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 institutional credit with focus on covering all PM-KISAN beneficiaries through Kisan Credit Cards (KCC). Till date, 270.29 lakh new KCC have been issued with sanctioned amount of Rs.2,88,832 crore.”

(vii) **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.

(viii)**Promotion of organic farming in the country**

- Paramparagat Krishi Vikas Yojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. Two-year 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.
- Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 170 Farmer Producer Companies have been formed comprising of 1.55 lakh farmers and covering 1,55,495 ha area.

In addition, to facilitate organic certification at affordable cost and easy to adopt approaches, a New Participatory Guarantee System (PGS) certification was launched during 2015. This PGS system is unique in the world and is the largest participatory organic certification programme in the world. Around 11 lakh small and marginal farmers are certified under PGS certification. A Jaivik kheti portal has been initiated to assist the small and marginal farmers in selling their organic products directly to consumers. As of now, around 5.56 lakh farmers are registered on the portal. In addition, quick certification of default organic areas such as islands, remote, hilly areas have been initiated under the Large Area Certification programme. This will enable small farmers to market certified products immediately without waiting for the normal certification period of 3 years. Around 14445 ha in Car Nicobar Islands of the Andamans is now certified under the programme helping marginal farmers in the area for marketing certified products. Proposal of 5000 ha area has been received from Ladakh under LAC and fund Rs 11.475 lakh has been released. The entire cultivable land of 2700 ha area of Lakshadweep have been certified organic under Large area certification. Support for individual farmers for certification has also been introduced to encourage farmers to take up organic farming.

(ix)**Neem Coating of 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.

- (x) **Agri Infrastructure Fund (AIF)** : Within a year of the launch of AIF, the scheme mobilized Rs.7700 Crore worth agriculture infrastructure in the country for more than 7300 projects. With the support of the scheme, various agriculture infrastructure was created and some of the infrastructure is at the final stage of completion. This infrastructure includes 3898 warehouses, 155 assaying units, 136 primary processing units, 135 sorting & grading units, 20 smart & precision agriculture projects and around 3000 other kind of post-harvest management projects and community farming assets.

(xi) **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.
- So far, more than 4965 FPO produce clusters have been allocated to respective Implementing Agencies (IAs).
- 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.

- (xii) **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.

- (xiii) **Per Drop More Crop component of Pradhan Mantri Krishi Sinchai Yojana (PMKSY-PDMC)** : 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. 779.18 crore released to States so far.

- (xiv) **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.1000 crores. Projects worth Rs 3970.17 crore covering 12.83 lakh hectares have been approved.

- (xv) **Agricultural Mechanization:** Agricultural mechanization is extremely vital to modernize agriculture and reduce drudgery of farming operations. During the period from 2014-15 to 2021-22 (as on 31.12.2021) an amount of Rs. 5130.61 crore have been allocated for agricultural mechanization. 13,78,755 numbers of machines and equipments have been provided to farmers on subsidy. 16,007 custom hiring centers, 378 high-tech hubs and 16,064 farm machinery banks have been established.

During the period from 2018-19 to 2021-22 (as on 31.12.2021), an amount of Rs. 2440.07 crore have been released to the States of Punjab, Haryana, Uttar Pradesh, NCT of Delhi and ICAR for crop residue management. 39,398 Custom Hiring Centers (CHCs) of crop residue management machines have been established in these States and a total of more than 2.00 lakh machines have been supplied to these established CHCs and individual farmers of these four States.

(xvi) **National Agriculture Market (e-NAM) scheme**

- In 18 states and 03 UTs, 1000 markets have already been integrated with the e-NAM Platform.
- As on 05.01.2022, total volume of 5.27 crore MT & 11.68 crore numbers (Bamboo, Betel Leaves, Coconut, Lemon & Sweet corn) with collective worth of approximately Rs. 1.68 lakh crore of trade has been recorded on e-NAM platform. Till date, more than 1.72 crore farmers have been registered on e-NAM platform

- (xvii) **Promotion of Agri Start up:** 799 start-ups in the agriculture and allied sectors have been selected for funding of a sum of Rs. 86.64 crore in instalments and Rs. 37.90 crore have been released to respective KPs and RABIs 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 (RABIs).

(xviii) **Promoting Use of Drones in Agriculture**

- The adoption of Drone technologies in agriculture have a potential to revolutionize the Indian agriculture and ensure country's food security. Accordingly, looking into the unique advantages of Drone technologies in agriculture, the Department of Agriculture & Farmers Welfare has released the Standard Operating Procedures (SOPs) for use of drones in pesticide and nutrient application in public domain 21.12.2021, which provide concise instructions for effective and safe operations of drones.

- In order to make this technology affordable to the farmers and other stakeholders of this sector, financial assistance @ 100 % cost of drone together with the contingent expenditure is extended to ICAR/SAU/ State governments/ State government Institutions under Sub-Mission on Agricultural Mechanization (SMAM) for its demonstration on the farmer's fields. In order to provide agricultural services through drone application, financial assistance @ 40% of the basic cost of drone and its attachments or Rs.4 lakhs, whichever less is also provided for drone purchase by existing and new Custom Hiring Centers (CHCs) under Cooperative Society of Farmers, FPOs and Rural entrepreneurs. The agriculture graduates establishing CHCs are eligible to receive financial assistance @ 50% or up to Rs.5 lakhs.
