

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2329**  
TO BE ANSWERED ON THE 06<sup>TH</sup> AUGUST, 2024

**ECONOMIC CONDITIONS OF FARMERS**

2329. Shri Kaushalendra Kumar:

Will the Minister of Agriculture and Farmers Welfare कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether nearly seventy percent of population in the country is dependant upon agriculture and related activities, if so, the details thereof;
- (b) whether the economic condition of farmers in the country is not good even today;
- (c) if so, the details thereof; and
- (d) the various steps being taken by the Government to expand agro based industries in the villages?

**ANSWER**

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE  
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a): According to the Periodic Labour Force Survey (PLFS) conducted by the National Sample Survey Office (NSSO), Ministry of Statistics and Programme Implementation (MoSPI) during July, 2022 – June, 2023, about 45.76 percent of the total workforce is engaged in agriculture and allied sector during 2022-23.

(b) & (c): The National Sample Survey Office (NSSO), Ministry of Statistics and Programme Implementation (MoSPI) conducted Situation Assessment Survey (SAS) of Agricultural Households during NSS 70<sup>th</sup> (January – December, 2013) and 77<sup>th</sup> round (January – December, 2019) in the rural areas of the country. As per result of SAS, the average monthly income per agricultural household has increased from Rs. 6,426 during 2012-13 to Rs. 10,218 in 2018-19.

(d): 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.

There have been demands to accord industry status to the agriculture sector. Agriculture and industry supplement each other. 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 like quality seeds, fertilizers, electricity, etc. and creation of infrastructure facilities, such as assistance to FPO's/cold storages, etc. for development of agriculture sector, including marketing and post-harvest management.

The Agriculture Infrastructure Fund (Agri Infra Fund) launched in July 2020 under the Atmanirbhar Bharat initiative, helps expand agro-based industries in villages by providing financial support and low-interest loans for developing infrastructure such as cold storage, warehouses, and processing units. This initiative aims to optimize the development of post-harvest infrastructure and creation of community farming assets, facilitating value addition and ensuring fair returns for farmers. AIF facilitates financing of medium and long term loans through various lending institutions for funding agriculture infrastructure Projects at farm-gate & aggregation points all over the country. AIF loans under this financing facility up to a limit of 2 crore come with interest subvention of 3% per annum and Credit guarantee coverage for eligible borrowers under CGTMSE scheme for a maximum period of 7 years. And interest rate is capped at 9% for finance under AIF Scheme.

The Fund of Rs. 1 lakh crore under the scheme will be financed by Banks and other lending institutions from FY 2020-21 to FY 2025-26 and the support under the scheme will be provided for the duration of FY 2020-21 to FY 2032-33.

It encourages entrepreneurship among farmers, FPOs, and start-ups, creating job opportunities and reducing urban migration. The fund supports modern agricultural practices and technology adoption, boosting productivity and promoting diversification into various agro-based sectors aiming to transform rural agriculture, enhance market access, and improve the livelihoods of farmers.

As on 31st July 2024, Rs. 47,022 Crore loans have been sanctioned by various lending institutions for 73,338 projects. These sanctioned projects have mobilised an aggregate investment of Rs. 77,754 crore in the agriculture sector. According to the

Impact assessment study undertaken by Agro-Economic Research Centre (AERC). Pune, 97% of projects set up with Bank loans under the AIF Scheme are located in rural areas.

Some of the major schemes providing financial and technical assistance for encouraging products related to agriculture, horticulture, dairy, poultry farming, etc., are as follows:

- (i) Mission for Integrated Development of Horticulture (MIDH)
- (ii) Paramparagat Krishi Vikas Yojana (PKVY)
- (iii) National Beekeeping and Honey Mission (NBHM)
- (iv) National Bamboo Mission (NBM)
- (v) Mission Organic Value Chain Development for North East (MOVCDNER)
- (vi) Rashtriya Gokul Mission(RGM)
- (vii) National Programme for Dairy Development (NPDD)
- (viii) Dairy Processing and Infrastructure Development Fund (DIDF)
- (ix) Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities (SDC&FPO)
- (x) National Livestock Mission(NLM)
- (xi) Animal Husbandry Infrastructure Development Fund(AHIDF)
- (xii) Pradhan Mantri Kisan Sampada Yojana (PMKSY)
- (xiii) Prime Minister – Formalization of Micro Food Processing Enterprises (PM-FME) etc.

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