

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

LOK SABHA
STARRED QUESTION No. 422
TO BE ANSWERED ON THE 1ST APRIL, 2025

CAPITAL INVESTMENT IN AGRICULTURE

*422. SHRI PARSHOTTAMBHAI RUPALA:

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

- (a) The current level of capital investment in agriculture, including the allocation of funds for irrigation, fertilizers, and other inputs;
- (b) the measures taken by the Government to enhance private capital investment in agriculture, including the provision of incentives and subsidies;
- (c) the details of the schemes and programs implemented by the Government to promote agricultural investment, including the Agriculture Infrastructure Fund and the Farmers' Welfare Scheme; and
- (d) the allocation of funds for agricultural investment in the current financial year?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण मंत्री (SHRI SHIVRAJ SINGH CHOUHAN)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT IN RESPECT OF PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 422 FOR 1st APRIL, 2025 REGARDING CAPITAL INVESTMENT IN AGRICULTURE.

(a) to (d): Capital Investment in Agriculture involves enhancing the physical and human capital in the agricultural sector to improve productivity and efficiency. Investments in Agriculture are aimed at Infrastructure Development in irrigation systems, use of advanced machinery, high-yielding seeds, pesticides including insecticides, herbicides, nematicides and creating scientific storage facilities to minimize post-harvest losses and processing facilities for value addition.

Govt of India implements many central sector and centrally sponsored schemes and initiatives through various Ministries and Departments such as, Agriculture Infrastructure Fund (AIF), Rashtriya Krishi Vikas Yojana , Mission for Integrated Development for Horticulture , Agriculture Marketing Infrastructure, National Mission for Edible Oils – Oil Palm, e-NAM Online Platform, PMKSY (PM Kisan Sinchayee Yojana), Per Drop More Crop , PM-FME, National Mission on Natural Farming, Formation & Promotion of new 10,000 FPOs, The National Beekeeping and Honey Mission (NBHM), Creation of a Start-up Eco system in agriculture and allied sector, Measures taken for promotion of millets, National Bamboo Mission, Modified Interest Subvention Scheme (MISS) and Pradhan Mantri Kisan Samman Nidhi (PMKISAN) etc. to enhance the production and productivity of farm produce and also minimize the post-harvest losses to ensure better realization of prices for farmers and boosting the rural economy through capital investments in agriculture sector. The details of Schemes and budget allocation are given in **Annexure**.

Further, in the year 2013-14, the budget allocation of the Department of Agriculture and Farmers' Welfare was only 21933.50 crore. This has increased by more than 5.98 times to Rs. 131195.21 crore in 2024-25. In addition, the Government of India supplements the efforts of States through appropriate policy measures and budgetary support through various Centrally Sponsored Schemes. Successful implementation of these Schemes has resulted in record-high food grain production in the country, rising from 263.5 MMT in 2013-14 to 331 MMT in 2024-25.

So far as allocation of funds for Fertilizers subsidy is concerned, the Department of Fertilizers has allocated Rs. 1,77,129.50 crores during the FY 2024-25.

As regards irrigation, Pradhan Mantri Krishi Sinchayi Yojna (PMKSY) is an umbrella scheme, consisting of two major components being implemented by the Department of Water Resources, River Development & Ganga Rejuvenation, Ministry of

Jal Shakti, namely, Accelerated Irrigation Benefit Programme (AIBP), and Har Khet Ko Pani (HKKP). HKKP, in turn, consists of four sub-components: (i) Command Area Development & Water Management (CAD&WM); (ii) Surface Minor Irrigation (SMI); (iii) Repair, Renovation and Restoration (RRR) of Water Bodies; and (iv) Ground Water (GW) Development.

Department of Water Resources, River Development & Ganga Rejuvenation, Ministry of Jal Shakti, deals with AIBP and CADWM component of PMKSY. An amount of Rs. 18,075 crore has been released as central assistance under PMKSY-AIBP and an assistance of Rs. 3128.79 crore has been released for CADWM works since April, 2016. Further, an amount of Rs. 5708.61 Crore has been released under PMKSY-SMI&RRR and Rs. 978 crore has been released in GW component of Scheme since April 2016. Revised estimate for 2024-25 for PMKSY-AIBP component is Rs. 2,040 crore and CAD&WM component is Rs. 100 crore respectively

A Micro Irrigation Fund (MIF) of the initial corpus of Rs 5000 crore has been created with NABARD with the major objective of facilitating the States in mobilizing the resources for expanding coverage of Micro Irrigation. Under the funding arrangement, NABARD lends to the States/UTs at a 3% lower interest rate than the corresponding cost of funds mobilized by NABARD from the market. The interest subvention on the loan under MIF is borne by the Centre under PDMC. Projects with loans under MIF worth Rs 4710.96 crore have been approved so far. Loans amounting to Rs. 3639.48 crore have been disbursed to the States of Andhra Pradesh, Tamil Nadu, Gujarat, Punjab, Haryana, and Rajasthan. The Ministry provides interest subvention on the loan availed by the States, which is met from the PDMC Scheme. As per the Budget 2021-22, the corpus of the fund is to be doubled to Rs. 10000 crores.

Agriculture Infrastructure Fund (AIF) was launch in 2020 with a vision to transform the agricultural infrastructure landscape of the country. The Agriculture Infrastructure Fund is a medium-long-term debt financing facility for investment in viable projects for post-harvest management infrastructure and community farming assets. Under the scheme, Rs. 1 Lakh Crore will be provided by banks and financial institutions as loans with interest subvention of 3% per annum and credit guarantee coverage under CGTMSE and NABSanrakshan for loans up to Rs. 2 Crores. The Fund of Rs. 1 lakh crore under the scheme will be disbursed 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.

As of 28th February 2025, Rs. 59,943 Crores have been sanctioned for 98,744 projects under AIF. These sanctioned projects have mobilized an investment of Rs 96,680 Crores in the agriculture sector. Major projects sanctioned under AIF include 25,671 custom hiring centres, 20216 primary processing units, 15125 warehouses, 3534 sorting

& grading units, 2,265 cold store projects, around 31,933 other kinds of post-harvest management projects, and viable farming assets.

An impact assessment study was also conducted using conventional survey methodology collecting data from 500 beneficiaries spread across 8 states. (1 each from North, South, West, East, Central, North-East, and 2 low-performing states). States covered under the study were: Punjab, West Bengal, Assam, Madhya Pradesh, Uttar Pradesh, Maharashtra, Tamil Nadu, and Rajasthan. Nearly 556 LMT of storage capacity is added through AIF projects, and more than 12 Lakh employment opportunities have been generated in the agriculture sector.

PM Kisan Sampada Yojana implemented by Ministry of Food Processing Industries is expected to leverage investment to benefit farmers and generate direct/indirect employment in the country. 1608 projects for setting up of different types of food processing (including Food Testing Labs and R&D projects) have been sanctioned till 28th February, 2025. under various sub-schemes of PMKSY. Out of this, 1103 projects have been completed, created direct/ indirect employment of 4.24 lakhs, and benefitted 33.37 Lakh farmers and processing capacity of 195.98 Lakhs MT & preservation capacity of 48.96 LMT/annum till 28.02.2025. The projects of PMKSY are of value Rs. 31,080.48 crores, leveraging private investment of Rs. 22,159.31 crores. PMFME has assisted more than 3.27 lakh SHGs and 1,27,758 individuals with credit linkages till 28th February, 2025.

PM-KUSUM Scheme of MoNRE was launched by the Government in March, 2019 to provide financial support to the farmers for installation of standalone solar pumps and solarization of existing grid-connected agriculture pumps, and to install solar power plants on their barren/ fallow/ agriculture land. The scheme has three Components:

- (i.) Component 'A': Setting up of 10,000 MW of Decentralized Ground/ Stilt Mounted Grid Connected Solar or other Renewable Energy based Power Plants by the farmers on their land;
- (ii) Component 'B': Installation of 14 lakh standalone off-grid solar water pumps; and
- (iii) Component 'C': Solarization of 35 lakhs existing grid-connected agriculture pumps and through feeder level solarization (FLS).

The PM KUSUM scheme is being implemented in all States/ UTs. It is a demand driven scheme. The capacities are allocated based on demand received from the States/UTs. The responsibility of beneficiary selection and implementation is of the State Implementing Agency (SIA). All the Components of PM KUSUM scheme are covered under AIF. During FY 24-25, the Revised Estimate of PM KUSUM scheme is Rs 3,025 Cr.

1. Details of schemes being implemented by DA&FW, Government of India for welfare of farmers

Government of India is implementing a comprehensive range of central sector as well as centrally sponsored schemes and programmes for the welfare of farmers in the country. The list of schemes being implemented by Department of Agriculture & Farmers' Welfare (DA&FW) is as under:

I. Central Sector Schemes

1. Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
2. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)
3. Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)
4. Pradhan Mantri Fasal Bima Yojana (PMFBY)/Restructured Weather Based Crop Insurance Scheme (RWBCIS)
5. Modified Interest Subvention Scheme (MISS)
6. National Bee Keeping and Honey Mission (NBHM)
7. Agriculture Infrastructure Fund (AIF)
8. Formation and Promotion Of 10,000 Farmer Producer Organizations (FPOs)
9. Agri Fund for Start Ups & Rural Enterprises (AgriSURE)
10. Namo Drone Didi

II. Centrally Sponsored Scheme

(a) National Mission on Natural Farming (NMNF)

(b) Krishonnati Yojana

1. Integrated Scheme for Agriculture Marketing -National Agriculture Market (ISAM-eNAM)
2. Integrated Scheme for Agricultural Marketing-Others (ISAM-Others)
3. National Food Security and Nutrition Mission (NFSNM)
4. National Mission on Edible Oil-Oil Seeds (NMEO-OS)
5. National Mission on Edible Oil-Oil palm (NMEO-OP)
6. Mission for Integrated Development of Horticulture (MIDH)
7. Mission Organic Value Chain Development for North Eastern Region (MOVCDNER)
8. Sub-Mission on Agricultural Extension (SMAE)
9. Digital Agriculture

(c) Rashtriya Krishi Vikas Yojana (RKVY)

1. Rashtriya Krishi Vikas Yojana- DPR (RKVY-DPR)
2. Paramparagat Krishi Vikas Yojana (PKVY)
3. Per Drop More Crop (PDMC)
4. Soil Health and Fertility
5. Rainfed Area Development (RAD)
6. Agroforestry
7. Sub-Mission on Agricultural Mechanization (SMAM)
8. Crop Residue Management (CRM)
9. Crop Diversification Programme (CDP)

2. The details of allocation of funds for the schemes during 2024-25:

S.no	Name of Schemes/Description	BE- 2024-25	RE-2024-25
	Total (Grant No. 01)	122528.77	131195.21
A	Central Sector Schemes/projects		
1	Pradhan Mantri Fasal Bima Yojana	14600.00	15864.00
	Additional Transfer to agriculture infrastructure Fund and Development (PMFBY)		2000.00
2	Modified interest Subvention	22600.00	22600.00
	Additional Transfer to agriculture infrastructure Fund and Development (MISS)		2000.00
3	Market Intervention scheme and price Support scheme (MISS-PSS)		75.13
4	Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (Pm-AASHA)	6437.50	6437.50
5	Distribution of Pulses to state/union territories for welfare schemes	300.00	300.00
6	Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)	60000.00	63500.00
	Additional Transfer to agriculture infrastructure Fund and Development (PM-KISAN)		2000.00
7	Pradhan Mantri Kisan Mandhan yojana	100.00	100.00
8	Formation and promotion of Farmers producers Organization	581.67	584.19
9	Agriculture Infrastructure Fund	600.00	750.00
10	Namo Drone Didi	500.00	250.00
11	Blended Capital Support to Finance Startups for Agriculture and rural Enterprise Relevant for Farm Produce Value Chain	62.50	62.50
12	National Bee Keeping Honey Mission (NBHM)	75.00	75.00

13	Cotton Technology Mission	0.00	0.00
14	Mission for Pulses	0.00	0.00
15	Mission for Vegetables and Fruits	0.00	0.00
16	National Mission on Hybrid Seeds	0.00	0.00
17	Support for Makhana Board	0.00	0.00
	Additional amount met from Reserve Fund	0.00	0.00
	Total- Central Sector Schemes/Projects	105856.67	116598.32
B	Centrally Sponsored Schemes		
1	Rashtriya Krishi Vikas Yojana (RKVY)	7553.00	6000.00
2	National Mission on natural Farming	365.64	100.00
3	Krishionnati Yojana	7447.00	7106.36
	Total-Centrally Sponsored Schemes	15365.64	13206.36
	Total-Central Sector Schemes+Centrally Sponsored Schemes	121222.31	129804.68
C	Establishment and other central expenditure of the Centre	1306.46	1390.53
	Total (Grant No. 01)	122528.77	131195.21
