

WRITTEN ANSWERS TO STARRED QUESTIONS

59th Report of NSS on agriculture

†*429. SHRI MOTILAL VORA:

SHRIMATI PREMA CARIAPPA:

Will the PRIME MINISTER be pleased to state:

(a) what are the details of the 59th survey report of NSS on agriculture and farmers and reaction of Planning Commission thereto;

(b) whether due to non-provision of loans to farmers, particularly medium and marginal farmers they had to take loan from money lenders;

(c) whether condition of farmers has worsened due to inadequate irrigation, drought and also due to not getting the fair price of agricultural produce;

(d) whether as a result of this, most of the farmers want to get rid of farming; and

(e) if so, the steps Government are taking to improve their condition and make them free from debt?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) The National Sample Survey Organisation (NSSO) in the Ministry of Statistics and Programme Implementation, Government of India, had carried out a survey known as 'Situation Assessment Survey of Farmers' during January to December, 2003, as part of its 59th round.

These reports provide useful insight on many aspects of the Indian farmers and agriculture and would serve as important inputs in formulation of the Eleventh Five Year Plan.

Some highlights of these survey reports are given in the Statement (See below).

(b) The institutional sources (Commercial Banks, Regional Rural Banks and Cooperative Banks) are not able to fully meet the requirement of loan for farmers. Money lenders are still an important source of loan for the farmers including medium and marginal farmers. The survey Report No. 498 on *Indebtedness of Farmers Households* have found that most important source of loan in terms of percentage of outstanding loan amount

†Original notice of the question was received in Hindi.

was 'banks' with a share of 36 per cent in the total outstanding loan amount followed by money lenders with a share of 26 per cent.

(c) The Report No. 496 titled "*Some Aspects of Farming*" of the 59th Survey has found during kharif 42.2 per cent and during rabi 57.3 per cent was irrigated at All India level. This indicates that a large area of agriculture is still dependent on rainfall which is erratic and also uneven in different parts of the country. In the event of drought, the farmers do get adversely affected. To ensure fair price of agriculture produce to the farmers the Government has been implementing the scheme of minimum support prices for 25 important agricultural commodities (MSPs)

(d) The NSS Report No. 496 as mentioned above in part (a) of the answer States that at the all-India level, 60% of farmer households reported that they liked farming as a profession. The remaining 40% were of the opinion that given a choice, they would take up some other career. About the reasons for those who did not like farming the survey has found that at the all-India level, the 40% who disliked farming included 27% who did not find it profitable and 8% who thought it was too risky. Only 2% of all farmers disliked farming because of its lack of social status.

(e) The Central Government has been extending loan assistance to the States through the Accelerated Irrigation Benefit Programme (AIBP) for the completion of last mile irrigation projects since 1996-97. Rs. 17537 crores have been released to States under AIBP up to 2004-05. From 2004-05, the programme has been modified into Normal Central Assistance pattern with a loan-grant mix. Under the Bharat Nirman Programme, one crore hectare is to be brought under assured irrigation over a period of four years (2005-09) to raise the average annual irrigation potential creation from 1.42 m.ha. to 2.5 m.ha.

In June, 2004 the Finance Minister had announced doubling of agricultural credit in three years. The institutional (Co-operative Banks, Regional Rural Banks and Commercial Banks) credit flow to agriculture increased from Rs. 70,810 crore in 2002-03 to Rs. 86,981 crore in 2003-04 and further to Rs. 1,15,243 crore in 2004-05. The flow of agricultural credit in 2005-06 is targeted to be raised by another 30%. A Task Force under the chairmanship of Prof. A Vaidyanathan in its Report dated 4th February, 2005 has made far reaching recommendations for Revival of Rural Cooperative Credit Institutions.

Twenty-five important agricultural commodities are covered under the Scheme of Minimum Support Prices (MSP). There has been reasonable increase in the prices of these commodities in 2005-06 season over 2004-05.

The National Development Council in its meeting held on 27-28 June, 2005 had decided to constitute a Sub-Committee under the Chairmanship of Shri Sharad Pawar, Minister of Agriculture, Consumer Affairs, Food and Public Distribution, to examine in-depth the problems facing Indian agriculture and to suggest implementable action plans. The Sub-Committee has been constituted by Planning Commission on 25th August, 2005.

National Horticulture Mission is being implemented with the objective of tapping the immense latent potential of horticulture, for promoting employment generation and raising income of farmers. The Mission targets of double horticultural production to 300 million tonnes by 2010 and cover additional area of 40 lakh hectares besides rejuvenation of plants in an area of 2 lakh hectares.

The Government is launching a new Centrally Sponsored Scheme by the name of Micro Irrigation which proposes to cover around 6.2 lakh hectare of predominantly dry agricultural land in the country under drip and sprinkler irrigation, in the Tenth Plan.

Statement

Highlights of survey reports

The National Sample Survey Organisation (NSSO) in the Ministry of Statistics and Programme Implementation, Government of India, had carried out a survey known as 'Situation Assessment Survey of Farmers' during January to December, 2003, as part of its 59th round. The survey was sponsored by the Ministry of Agriculture, Government of India and was conducted in the rural sector of the country.

In all 51,770 sample households spread over 6,638 villages covering the entire rural area of whole of the Indian Union except Leh (Ladakh) and Kargil districts of Jammu and Kashmir, interior villages of Nagaland situated beyond five kilometers of any bus route, and villages in Andaman and Nicobar Islands which remain inaccessible throughout the year, were interviewed.

A farmer household was defined as one which had at least one family member as a farmer. A farmer was understood to be a person who possessed some land and was engaged in agricultural activities on any part of that land during the last 365 days. Agricultural activity was taken to include cultivation of field and horticultural crops, growing of trees and plantations such as rubber, cashew, coconut, pepper, coffee, tea, etc.; animal husbandry, poultry, fishery, bee-keeping, vermiculture, sericulture, etc.

In the series of five reports to be brought out on the basis of this survey, the NSSO has released four reports titled as following:

Report Number 498: Indebtedness of Farmer Households

Report Number 496: Some Aspects of Farming

Report Number 499: Access to Modern Technology for Farming

Report Number 495: Consumption Expenditure of Farmer Households

These reports can be accessed on the website of the NSSO, the Ministry of Statistics and Programme Implementation at www.mospi.nic.in

1. INDEBTEDNESS OF FARMER HOUSEHOLDS

Report Number 498: Indebtedness of Farmer Households was the first to be released. A farmer household was considered to be indebted if it had any loan in cash or kind and its value at the time of transaction was Rs. 300 or more. The report presents the details of the indebtedness of farmer households by social groups or by sources of income of farmers in different States and UTs. Further, it presents the indebtedness of farmer households by size-class of land possessed in different States and UTs. Distribution of outstanding loans by purpose of loan and by source of loan have been analyzed in the report. Details on average amount of outstanding loan per farmer household by Monthly Per-capita Consumer Expenditure (MPCE) class or by size class of land possessed have also been shown in the report. The main findings of the report are given below:

- Out of 89.35 million farmer households, 43.42 million (48.6%) were reported to be indebted i.e. having a liability in cash or kind with value Rs. 300 or more at the time of transaction.
- Estimated prevalence of indebtedness among farmer household was highest in Andhra Pradesh (82.0%), followed by Tamil Nadu (74.5%) and Punjab (65.4%).
- Estimated number of indebted farmer households was highest in Uttar Pradesh (6.9 million), followed by Andhra Pradesh (4.9 million) and Maharashtra (3.6 million).

- Household with one hectare or less land accounted for 66% of all farmer household. About 45% of them were indebted.
- More than 50% of indebted farmer households had taken loan for the purpose of capital or current expenditure in farm business. Such loans accounted for 584 rupees out of every 1000 rupees of outstanding loan.
- Marriages and ceremonies accounted for 111 rupees per 1000 rupees of outstanding loans of farmer households. Among the States the proportion was highest in Bihar (229 rupees per 1000 rupees), followed by Rajasthan (176 rupees per 1000 rupees).
- The most important source of loan in terms of percentage of outstanding loan amount was banks (36%), followed by moneylenders (26%).
- Average outstanding loan per farmer household was highest in the State of Punjab followed by Kerala, Haryana, Andhra Pradesh and Tamil Nadu.

2. ACCESS TO MODERN TECHNOLOGY FOR FARMING

This is the second report released by the National Sample Survey Organisation, Ministry of Statistics and Programme Implementation based on the Situation Assessment Survey of Indian Farmers. The report covers the extent to which the farmers access various sources for getting information on improved farming techniques and the extent to which they use such information.

There have been steady attempts since independence to inform and educate farmers through various extension services and mass media like radio, TV, newspapers etc. on modern agricultural practices for better agricultural performance. In this survey data were collected to identify the sources from which farmers accessed information on modern technology for farming along with the topic on which information was gathered and the extent to which such information was tried or adopted in practice.

- The survey report shows that 40 per cent of farmers in the country accessed one or the other source for getting information related to modern farming. While in Andhra Pradesh and West Bengal over 60 per cent of the farmers contacted some source for farm related information only 15 per cent did so in Rajasthan. In agriculturally developed States like Punjab and Haryana these figures were at 27 and 37 per cent respectively.

- The most frequently accessed source was 'other progressive farmers' (17%) followed by the 'dealer providing inputs' and 'radio' (13%). TV (9%), newspapers (7%) and extension workers (6%) were some of the other important sources. While these were the national averages, farmers in different States showed varying preferences. In Kerala, 38 per cent of farmer households accessing information relied on newspapers while 31 per cent relied on radio. In Jammu & Kashmir, 36 per cent of the farmer households accessing farming information did it from radio and another 30 per cent from TV. In Andhra Pradesh, West Bengal and Gujarat, the farmer households relied on the 'input dealers' and other 'progressive farmers' for farming information.
- Over 50 per cent of farmers who received farming related information from sources like radio, TV and newspapers actually 'tried' the information or adopted the recommendations whereas over 80 per cent of those who obtained the information from 'input dealers or 'other progressive farmers' tried or adopted them. About 65 per cent of farmers who accessed information from extension workers or the "Krishi Vigyan Kendra" actually tried or adopted it.
- Among the farmers obtaining information from any source, 96 per cent obtained information on cultivation. As for the type of information on cultivation received by farmer households from any source, 60 per cent were on improved seed variety, 49 per cent on fertilizer application, 24 per cent on plant protection measures. Only 5 per cent of farmers obtained information on animal husbandry related topics and just under 3 per cent of farmers obtained information on fisheries.
- Most of the farmers rated the information received as 'good' or 'satisfactory'. Only a small percentage of farmers rated the information received by them as poor.

3. SOME ASPECTS OF FARMING

The report titled "Some Aspects of Farming" based on the *Situation Assessment Survey of Farmers* carried out by the National Sample Survey Organisation (NSSO) in the Ministry of Statistics and Programme Implementation, Government of India, is the third report brought out based on the survey. This report covers farming practices, farmers' awareness of technical and institutional developments in farming, resource availability and use, distribution of farmed area and irrigated area over different kinds of farming activities, and energy used by farmer households in various activities, with special reference to ploughing, threshing, harvesting and

irrigation. Estimates have been presented in this report for all States separately except Goa and the NCR Territory of Delhi and for all the Union Territories together as a group. Some of the important findings are given in subsequent paragraphs.

- Almost 60% of farmer households reported they liked farming as a profession. Nearly 27% of farmers did not like farming as it was not profitable, 8% opined that it was risky. About 40% felt that, given a choice, they would take up some other career.
- About 29% of farmer households had a member of a cooperative society, 5% had a member of a self-help group and only 2% had a member of registered farmers' organisation. Only 19% of farmer households had availed themselves of services from the cooperative sector. Most of these households availed of either credit facilities or services related to seeds or fertilizers.
- Only 4% of farmer households had ever insured their crops and 57% did not know that crops could be insured. About 18% of farmer household knew about bio-fertilizers. Nearly 29% of farmer households understood what minimum support price meant. Only 8% farmer households had heard of the World Trade Organisation.
- Almost 47% of farmer households used farm-saved seeds and 48% purchased their seeds. Whereas 30% farmers replaced seed varieties every year, another 32% replaced them in an alternate year.
- Fertilizers were used by 76% of farmer households during the kharif and 54% during the rabi season. For 27% of farmer households, fertilizers were available within the village. Organic manure was used by 56% of farmer households during kharif and 38% during rabi. It was available within the village for 68% of farmer households during kharif and 75% during rabi. Improved seeds were used by 46% of farmer households during kharif and 34% during rabi. They were available within the village for 18% farmer households. Pesticides were used by 46% farmer households during kharif and 31% during rabi. Veterinary services were used by 30% farmer households during kharif and 22% during rabi.
- Gross irrigated area was 42% of cropped area during kharif and 56% during rabi. Tubewell was the major source of irrigation. About 50% of all irrigated land during the kharif season and 60% during the rabi season was irrigated by tubewells. Wells were used to irrigate 19%

of land irrigated during kharif and 16% during rabi. Canals accounted for irrigation of 18% land during kharif and 14% during rabi.

- About 47% of farmer households using non-human energy for ploughing their land used diesel tractors while 52% relied on animal power. Nearly 66% of farmer households used diesel pumps and 33% used electric pumps for irrigation.
- About 59% of farmer households reporting use of energy for harvesting crops during the last 365 days had used diesel-powered machines and 38% used animal power device. For threshing of harvested crops during the last 365 days, about 12% farmer households used electric-powered threshers, 61% used diesel-powered threshers and 27% used animal power threshers.

4. CONSUMPTION EXPENDITURE OF FARMER HOUSEHOLDS

Report Number 495 titled 'Consumption Expenditure of Farmer Households' being released is the fourth in the service of five reports based on the Survey mentioned above.

The report presents different facets of the variation in the level and pattern of consumer expenditure and related aspects of the standard of living of the farmer households. It covers certain demographic characteristics of farmer households such as average household size and sex ratio for adults, children and all persons over different Monthly Per-Capita Consumer Expenditure (MPCE) classes. It also shows the distribution of MPCE of the farmer households across the States and at all-India level by different items of food and non-food groups and their comparison with those for the all rural households (as brought out by the consumer expenditure survey of the same round).

- The average MPCE for farmer households at all India level during the year 2003 was Rs. 502.83 (lower by 9.3%) compared to Rs. 554.15 for all rural households.
- The corresponding break-ups for food and non-food groups were Rs. 278.74 and Rs. 224.09 for farmer households (lower by 6.6% and 12.3% respectively) in comparison with Rs. 298.57 and Rs. 255.59 for all rural households.
- At all India level, the sex ratio in farmer population was 942 compared to 957 in all rural population. The figures corresponding to children and adults were 925 and 952 compared to 915 and 982 in all rural population.

- At all India level, about 4% of farmer households had MPCE less than Rs. 225, 8% had MPCE less than Rs. 300 and 15% had MPCE less than Rs. 380. On the other hand, 7.5% of the farmer households had MPCE more than Rs. 950 and 26% had MPCE more than Rs. 615.
- The average household size for farmers was 5.5 at all India level. It was highest (6.9) for households having MPCE less than or equal to Rs. 225 and lowest (4.1) for households having MPCE more than Rs. 950. Also, average household size declined steadily with a rise in MPCE over successive class-intervals of MPCE.
- At State level, Bihar and Uttar Pradesh registered highest average household size (6.1) for farmers, followed by Haryana (6.0) and Rajasthan (5.9). Whereas Tamil Nadu registered lowest average household size (1.1), followed by Kerala and Andhra Pradesh (4.7 each).
- The average MPCE during 2003 was highest for the farmers of Kerala (Rs. 900.59) followed by Nagaland (Rs. 882.93) and Punjab (Rs. 828.01).
- The average MPCE during 2003 for farmer households was lowest for Orissa (Rs. 341.75), followed by Jharkhand (Rs. 352.85), Chhattisgarh (Rs. 378.89) and Bihar (Rs. 403.60).
- The sex ratio in farmer population was highest in Himachal Pradesh (1089), followed by Kerala (1048) and Uttaranchal (1014). It was lowest in Assam (849), followed by Punjab (859) and Tripura (870).
- In terms of value of pre-capita consumption of cereals, Manipur registered the highest i.e. Rs. 193.31 (33% of MPCE); followed by Arunachal Pradesh: Rs. 167.84 (29%); Nagaland: Rs. 166.76 (19%) and Mizoram: Rs. 150.77 (23%).
- The consumption of cereals was lowest in Punjab: Rs. 73.46 (9% of MPCE); followed by Haryana: Rs. 74.01 (10%) and Gujarat: Rs. 80.16 (14%).
- The percentage share of all food taken together to total consumption expenditure was highest for the farmer households of Assam (65%); followed by Jharkhand (64%), Bihar (62%), West Bengal (61%) and Sikkim (60%).

- An estimated 22% of the farmer households in Orissa, 11% in Jharkhand 8% in both Madhya Pradesh and Chhattisgarh and 6% in Bihar had MPCE less than or equal to Rs. 225.-
- About 57% farmer households in Orissa, 50% in Jharkhand, 44% in Chhattisgarh, 37% in Madhya Pradesh and 34% in Bihar had MPCE less than or equal to Rs. 340.
- On the other hand, 94% farmer households in Nagaland, 68% in Punjab, 67% in Kerala, 63% in Jammu & Kashmir and 59% in Haryana had MPCE more than Rs. 615.
- About 36% of the farmer households in Nagaland, 35% in Kerala, 28% in Punjab and 23% in Haryana had MPCE more than Rs. 950.
- Per capita consumption of 'pan, tobacco and intoxicants' per 30 days was highest in Meghalaya (Rs. 43.30), followed by Mizoram (Rs. 40.53), Arunachal Pradesh (Rs. 30.75) and Tripura (Rs. 29.96).
- Per capita monthly expenditure on education was highest in Nagaland (Rs. 77.21); followed by Haryana (Rs. 48.01), Punjab (Rs. 42.87) and Kerala (42.36).
- Per capita monthly medical expenses was highest for the farmer households belonging to Kerala (Rs. 97.78), followed by Punjab (Rs. 63.04), Tamil Nadu (Rs. 48.76), Maharashtra (Rs. 47.71) and Haryana (Rs. 46.98).

More expenditure on delayed projects

†*430. SHRI LEKHRAJ BACHANI:

PROF. R.B.S. VARMA:

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether it is a fact that due to not taking-up various Government approved projects on time or non-completion of these projects in stipulated time-period, Government have to spend more money on them;

(b) if so, the details thereof; and

(c) the steps being taken by the Government to complete these projects on time?

†Original notice of the question was received in Hindi.