

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

RAJYA SABHA
UNSTARRED QUESTION NO. 658
TO BE ANSWERED ON THE 03/12/2021

**POLICY REFORMS FOR POOR AND MARGINAL FARMERS TO EARN MORE
INCOME**

658. DR. L. HANUMANTHAIAH:

Will the Minister of AGRICULTURE & FARMERS WELFARE be pleased to state:

- (a) whether Government is aware that according to a report titled Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019, most small and marginal rural households are now earning their livelihoods as wage labourers than from farming;
- (b) if so, reasons therefor;
- (c) whether according to report, share of poor and marginal farmers to total farmers has expanded;
- (d) if so, details thereof; and
- (e) the steps taken by Government to prioritise policy reforms that help the earning of farmers who are largely dependent on farming for their income and prevent them from becoming wage labourers?

ANSWER

MINISTER OF AGRICULTURE & FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

(a) to (b): National Statistical Office (NSO) in its 77th round carried out a survey on Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in the rural areas of the country with an integrated schedule of enquiry during the period January 2019 to December 2019. As per the survey, the principal source of income of agricultural households from different sources comprises of income from crop production, non-farm business, farming of animals, wages, and leasing-out of land.

(c) to (d): The percentage distribution of agricultural households by size class of land possessed, as per the results of the SAS of Agricultural households, NSS 70th round and NSS 77th Round is given in the table below.

Period	Size class of Land Possessed (in hectares)							All Sizes
	<0.01	0.01-0.40	0.40-1.00	1.01-2.00	2.01-4.00	4.01-10.00	10.00+	
70 th Round (January-December 2013)	2.6	31.9	34.9	17.1	9.4	3.7	0.4	100
77 th Round (January-December 2019)	0.6	34.2	35.6	17.7	8.6	2.8	0.4	100

Source: NSS Report No.569: Some characteristics of Agricultural Households in India, 2013 and NSS Report No. 587: Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019

(e) : 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. The list of various interventions and schemes launched for the benefit of farmers are given below.

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

- (i) 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.
- (ii) 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) 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.

- (iv) 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 for 2018-19 season at a level of at least 150 percent of the cost of production.
- (v) Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized.
- (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.
- (vii) "Paramparagat Krishi Vikas Yojana (PKVY)" for promoting organic farming.
- (viii) Launch of e-NAM initiative to provide farmers with transparent and competitive online trading platform.
- (ix) Under "Har Medh Pard Ped", 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) 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) 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) 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) 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) 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) 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) Formation and Promotion of Farmers' Producer Companies (FPOs) to form and promote 10,000 FPOs.
