

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

RAJYA SABHA
UNSTARRED QUESTION NO- 1128
TO BE ANSWERED ON 11/02/2022

IDENTIFICATION OF ISSUES FOR INCREASING FARMERS INCOME

1128. SHRI SAMBHAJI CHHATRAPATI:

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

- (a) whether there are innumerable complicated issues identified by Government to increase the income of farmers from farming, if so, the core ten issues that may be easy to implement and bring in force for immediate relief to farmers;
- (b) if so, the details thereof; and
- (c) whether the high cost of labour, cost of diesel/petrol/electricity to operate farm equipment and water pumps, exploitation of farmers by wholesalers and mandi Samiti, high cost involved in cold storage of farm produce, transportation of farm produces, etc., are a few key issues of farmer's expenditure which require immediate relief from Government?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

(SHRI NARENDRA SINGH TOMAR)

- (a) to (c): A multi-pronged approach has been adopted by the Government to address the needs and issues faced by farmers by increasing the disposable income of farmers through PM-KISAN, increasing the MSP by one and half times of the cost of production, by providing quality seeds, fertilizer, pesticides, high value crops and promotion of FPOs and agri-business. A list of interventions supported by the Government for increasing the income of farmers, reducing the cost of production and ensuring remunerative prices is at **Annexure**.

**LIST OF VARIOUS INTERVENTIONS AND SCHEMES LAUNCHED FOR THE
BENEFIT OF FARMERS**

- (i) **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN):** 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) **Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY):** 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) **Pradhan Mantri Fasal Bima Yojana (PMFBY):** 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. During this period nearly Rs. 21450 crore were paid by farmers as their share of premium against which claims of over Rs.101875 crore (Provisional) have paid to them. Thus for every 100 rupees of premium paid by farmers, they have received Rs. 475 as claims.
- (iv) **Minimum Support Price (MSPs):** 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.
- 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 43%.
 - MSP for Wheat increased from Rs. 1400 per quintal in 2013-14 to Rs. 2015 per quintal in 2021-22.
- (v) **Soil Health Cards:** Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be rationalized. Soil health cards have been issued free of cost to nearly 11 crore farmers under a nationwide program.
- (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. 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. 351.50 crore released to States so far.

- (vii) **“Paramparagat Krishi Vikas Yojana (PKVY)”** - 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.
- (viii) **National Agriculture Market (e-NAM) scheme:** Launch of e-NAM initiative to provide farmers with transparent and competitive online trading platform.
- 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.
- (ix) **Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PMAASHA):** 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.
- (x) **Price Support Scheme (PSS):** 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.
- (xi) **Mission for Integrated Development of Horticulture (MIDH):** 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.
- (xii) **Institutional Credit for Agriculture:** 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.
- (xiii) **Interest Subvention Scheme:** 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.
- (xiv) 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.

- (xv) **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. 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. As part of Kisan Credit Card (KCC) saturation drive, to cover all PM-KISAN beneficiaries, 282.34 Crore KCCs issued with a loan amount of Rs. 3,06,853 crore have been sanctioned.
- (xvi) Several market reforms related programmes and policies have been rolled out to facilitate farmers and producers with remunerative price for their produce.
- (xvii) **Creating of Corpus Fund**
- a. Micro Irrigation Fund – Rs. 10,000 crore
 - b. Agriculture Infrastructure Fund of Rs. One Lakh Crore –
- (xviii) **Farmers' Producer Companies (FPOs):** Formation and Promotion of Farmers' Producer Companies (FPOs) to form and promote 10,000 FPOs.
