

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

RAJYA SABHA
UNSTARRED QUESTION No. 2248
TO BE ANSWERED ON 05/08/2022

DEBT TRAP AMONG FARMERS

2248. DR ANBUMANI RAMADOSS:
SHRI SANDOSH KUMAR P:

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

- (a) whether Government is aware of the rising cost of cultivation and debt crisis emerging out of high input costs and other expenses, if so, the details thereof;
- (b) the data of total number of farmers/agricultural households and average agricultural households under debt in the country, State-wise and percentage-wise;
- (c) the initiatives taken by Government to help the farmers to escape from the debt trap; and
- (d) the initiatives taken by Government to promote cooperative farming in the country?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI NARENDRA SINGH TOMAR)

- (a): The cost of production for the major crops for the last three years is given at Annexure-I.
- (b): The total number of agricultural households and average agricultural household debt in the country is given at Annexure-II.
- (c): The Government of India, has inter-alia, taken major initiatives to help the farmers and thus freeing them from the clutches of money lenders. These schemes/initiatives include KCC Saturation drive to ensure concessional institutional credit to all eligible farmers in the country, income support of Rs. 6000 per year to farm families in 3 equal installment through Pradhan Mantri Kisan SAMman Nidhi (PM-KISAN), Pradhan Mantri Fasal Bima Yojana (PMFBY), formation of Joint Liabilities Groups (JLG's), Rashtriya Krishi Vikas Yojana (RKVY), National Food Security Mission (NFSM), National Agriculture Market (e-NAM), National Mission for Sustainable Agriculture (NMSA), Pradhan Mantri Kisan Maan-Dhan Yojana (PM-KMY).
- (d): The average landholding size is 1.08 hectare (Agri Census 2015-16). Major issue that affects the small and marginal Indian farmer is the lack of bargaining power while procuring farm inputs or selling his produce. The Cooperative model has been suggested as a way out of these issues.

The Government of India is implementing a scheme for creation of 10,000 FPOs. FPOs work on the collectivisation model, and significantly enhance the bargaining powers of small and marginal farmers. These FPOs will help in reduction of input cost, lesser distress sale among member farmers and new opportunities to the small and marginal farmers. FPOs have also been allowed for value addition and primary processing of produce, thereby enhancing marketability and higher returns on the agricultural produce.

Cost of Production in Rs per quintal

| S. NO. | COMMODITY/YEAR | 2019-20 | 2020-21 | 2021-22 |
|--------|---------------------------|---------|---------|---------|
| | KHARIF CROPS | | | |
| 1 | PADDY(Common) | 1208 | 1245 | 1293 |
| 2 | JOWAR (Hybrid) | 1698 | 1746 | 1825 |
| 3 | BAJRA | 1083 | 1175 | 1213 |
| 4 | RAGI | 2100 | 2194 | 2251 |
| 5 | MAIZE | 1171 | 1213 | 1246 |
| 6 | TUR (Arhar) | 3636 | 3796 | 3886 |
| 7 | MOONG | 4699 | 4797 | 4850 |
| 8 | URAD | 3477 | 3660 | 3816 |
| 9 | COTTON (Medium Staple) | 3501 | 3676 | 3817 |
| 10 | GROUNDNUT IN SHELL | 3394 | 3515 | 3699 |
| 11 | SUNFLOWER SEED | 3767 | 3921 | 4010 |
| 12 | SOYABEAN | 2473 | 2587 | 2633 |
| 13 | SESAMUM | 4322 | 4570 | 4871 |
| 14 | NIGERSEED | 3960 | 4462 | 4620 |
| | <u>RABI CROPS</u> | | | |
| 1 | WHEAT | 923 | 960 | |
| 2 | BARLEY | 919 | 971 | |
| 3 | GRAM | 2801 | 2866 | |
| 4 | MASUR (LENTIL) | 2727 | 2864 | |
| 5 | RAPESEED & MUSTARD | 2323 | 2415 | |
| 6 | SAFFLOWER | 3470 | 3551 | |
| | <u>OTHER CROPS</u> | | | |
| 1 | COPRA (Milling) | 6347 | 6639 | 6805 |
| 2 | JUTE | 2535 | 2709 | 2832 |

Cost Includes all paid out costs such as those incurred on account of hired human labour, bullock labour/machine labour, rent paid for leased in land, expenses incurred on use of material inputs like seeds, fertilizers, manures, irrigation charges, depreciation on implements and farm buildings, interest on working capital, diesel/electricity for operation of pump sets etc, miscellaneous expenses & imputed value of family labour.

Total number of agricultural households and households under debt in the country

| State | Estimated Number of Agriculture Households | Agriculture Households as percentage of Total Rural Households (%) | Average amount (Rs.) of outstanding loan per agricultural household |
|-------------------|--|--|---|
| Andhra Pradesh | 31,58,700 | 33.4 | 2,45,554 |
| Arunachal Pradesh | 1,52,400 | 69.1 | 3,581 |
| Assam | 30,99,900 | 53.5 | 16,407 |
| Bihar | 70,12,300 | 44.4 | 23,534 |
| Chhattisgarh | 29,85,100 | 66.8 | 21,443 |
| Gujarat | 40,36,900 | 61.1 | 56,568 |
| Haryana | 19,06,200 | 61.4 | 1,82,922 |
| Himachal Pradesh | 10,28,000 | 69.2 | 85,825 |
| Jammu & Kashmir | 12,55,700 | 74.4 | 30,435 |
| Jharkhand | 28,08,000 | 55.9 | 8,415 |
| Karnataka | 42,50,100 | 54.8 | 1,26,240 |
| Kerala | 14,66,700 | 33.2 | 2,42,482 |
| Madhya Pradesh | 72,73,800 | 66.4 | 74,420 |
| Maharashtra | 72,94,100 | 54.1 | 82,085 |
| Manipur | 2,41,200 | 64.6 | 5,551 |
| Meghalaya | 3,64,700 | 73.5 | 2,237 |
| Mizoram | 76,400 | 74.2 | 23,485 |
| Nagaland | 1,91,800 | 79.9 | 1,750 |
| Odisha | 48,15,300 | 59.0 | 32,721 |
| Punjab | 14,67,100 | 41.7 | 2,03,249 |
| Rajasthan | 70,37,800 | 74.0 | 1,13,865 |
| Sikkim | 65,200 | 66.3 | 32,185 |
| Tamil Nadu | 25,82,500 | 26.4 | 1,06,553 |
| Telangana | 26,55,700 | 54.2 | 1,52,113 |
| Tripura | 2,89,300 | 41.4 | 23,944 |
| Uttarakhand | 9,84,400 | 67.4 | 48,338 |
| Uttar Pradesh | 1,77,58,300 | 65.4 | 51,107 |
| West Bengal | 66,89,000 | 43.8 | 26,452 |
| All India | 9,30,93,500 | 54.0 | 74,121 |

Source: Situation Assessment Survey of Agricultural Households (Jan-Dec 2019), National Statistical Office(NSO)

1. Reference period for Indebtedness is “as on the date of survey”

2. Indebtedness relates to all kind of outstanding loans irrespective of the purpose for which taken
