

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE  
**RAJYA SABHA**  
**UNSTARRED QUESTION No. 2108**  
TO BE ANSWERED ON THE 09/08/2024

**Investment to Increase Income of Small and Medium Farmers**

2108. Shri Ashokrao Shankarrao Chavan:

Will the Minister of Agriculture and Farmers Welfare be pleased to state;

- (a) whether large-scale investment is being made on agricultural infrastructure to increase the income of small and medium farmers, if so, the details thereof;
- (b) whether any additional investment has been made by Government to increase the income of small and medium farmers of Muzaffarpur and Vaishali districts of Bihar;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether the country has the capacity to be self-sufficient in food production and also meet the food requirements of a large part of the world; and
- (e) if so, the details thereof, if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a) to (c): Yes, Sir. In order to increase the income of small and medium farmers, the existing Agriculture Infrastructure gaps are being mitigated by boosting investments for building infrastructure under various Schemes of Government of India such as 'Agriculture Infrastructure Fund', Agricultural Marketing Infrastructure (AMI), National Agriculture Market (e-NAM) scheme, Mission for Integrated Development of Horticulture (MIDH) etc.

The Agriculture Infrastructure Fund (AIF) is a medium-long term debt financing facility through interest subvention and credit guarantee support on loans 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 for loans up to Rs. 2 Crores to the eligible beneficiaries include farmers, FPOs, PACS, Marketing Cooperative Societies, SHGs, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Start-ups, and Central/State agency or Local Body sponsored Public-Private Partnership Projects for creation of post-harvest management infrastructures like Supply chain services including e-marketing platforms, Warehouses, Silos, Pack houses, Assaying units, Sorting & grading units, Cold chains, Logistics facilities, Primary processing centres, Ripening Chambers etc.

Community farming assets eligible under Agri Infra Fund includes: Organic inputs production, Bio stimulant production units, Infrastructure for smart and precision agriculture, Projects identified for providing supply chain infrastructure for clusters of crops including export clusters, Projects promoted by Central/State/Local Governments or their agencies under PPP for building community farming assets or post-harvest management projects.

Apart from AIF, the Government is also making investment through following schemes for bringing improvements in the Infrastructure Facilities in the Agriculture sector and increasing the income of small and medium farmers:

- (i) Agricultural Marketing Infrastructure (AMI), a sub-scheme of Integrated Scheme for Agricultural Marketing (ISAM) under which assistance is provided for construction/ renovation of godowns/ warehouses in the rural areas in the States to enhance the storage capacity for agriculture produce. AMI is demand driven scheme in which subsidy is provided at the rate of 25% and 33.33% on capital cost of the project based on the category of eligible beneficiary. Assistance under this scheme is available to Individuals, Farmers, Group of farmers/growers, Agri-preneurs, Registered Farmer Produce Organizations (FPOs), Cooperatives and state agencies etc. The scheme is demand driven.
- (ii) National Agriculture Market (e-NAM) scheme, a virtual platform integrating physical wholesale mandis/ markets of different States/ Union Territories (UTs) to facilitate online trading of agriculture and horticulture commodities to enable farmers to realize better remunerative prices for their produce.
- (iii) Mission for Integrated Development of Horticulture (MIDH) under which financial assistance for setting up of Post-Harvest Management Infrastructure including cold storage, cold room facilities for horticultural produce @ 35% of the project cost in general areas and 50% in case of hilly and scheduled areas per beneficiary is available. The component is demand/entrepreneur driven through commercial ventures for which Government assistance is credit linked and back ended.
- (iv) Rashtriya Krishi Vikas Yojana (RKVY), a Centrally Sponsored Scheme under which the funds are released to the State Governments as Grants-in-Aid on the basis of projects in Agriculture & allied sectors approved in the State Level Sanctioning Committee Meeting (SLSC) headed by the Chief Secretary of the concerned State, which is the empowered body to approve projects under the scheme. In this scheme States has flexibility and autonomy in the process of selection, planning, approval and execution projects in agriculture and allied sectors as per their priorities. RKVY is primarily a project oriented scheme, the benefit of which is available to all sections of the farming community. From 2015-16, the funding pattern of RKVY changed from 100% central share to 60:40 between Centre and States whereas 90:10 between Centre and North Eastern & Himalayan States. For UTs it remains 100% as Central share.
- (v) The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) is a Central Sector Scheme, being implemented w.e.f. 1st December, 2018. The Scheme aims at providing financial assistance to all landholding farmer families across the country, subject to certain exclusion criteria, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs. Under the Scheme, an amount of Rs. 6000/- per year is transferred in three 4-monthly installments of Rs.2000/- directly into the bank accounts of the farmers. As on 19/07/2024, the benefits of the scheme worth more than ₹ 3.24 Lakh Crore have been provided to more than 11 crore beneficiary farmers' families.

The Schemes aims at increasing the income of farmers by way of :

- Giving access to improved marketing infrastructure to allow farmers to sell directly to a larger base of consumers and hence, increase value realization for the farmers.
- Facilitating investments in logistics infrastructure to enable farmers to sell in the market with reduced post-harvest losses and a smaller number of intermediaries. This further will make farmers independent and improve access to market.
- Providing modern packaging and cold storage system access, to enable farmers to further decide when to sell in the market and improve realization.
- Providing community farming assets at affordable cost on hire basis for improved productivity and optimization of inputs which results in substantial savings to farmers.
- Increasing productivity through introduction of improved varieties, quality seeds and planting materials, protected cultivation, high density plantation, rejuvenation, precision farming and horticultural mechanization.
- Diversification to High Value Horticulture for orchards and Plantation crops, Vineyards, vegetable & flower gardens, Bee keeping, Mushroom cultivation, off season vegetables.
- Promoting Post Harvest Management through Cold storage (CS), cold chain supply chain including pack houses, ripening chamber, reefer vehicle, etc.
- Promoting Primary and minimal processing of Horticulture crops.
- Market Linkages: Market infrastructure such as mobile vending cart, retail outlet, primary and wholesale markets, Creating direct market/farmers market.
- Aggregating farmers into FPO/FIG and promoting their tie up with Market Aggregators (MAs) and Financial Institutions (FIs).
- Skill Development: Human Resource Development such as awareness programme, farmers training, exposure visit, etc. Providing training on latest technologies on production and post-harvest management to women and youth. Converting HRD interventions to Skill Development in Horticulture as per ASCI curriculum.
- Food & Nutritional Security: Increasing Area and Production of horticulture crops with high nutritional value. Promoting sustainable horticulture.
- Promotion of INM/IPM, organic farming, Good Agricultural Practices (GAP).

The Schemes are meant for entire country and doesn't focus on particular districts. Regarding AIF Scheme, it targets an aggregate amount of Rupees One lac crore to be financed by the Banks and other lending institutions by 2025-26 and tentative State wise allocation of financing facility has been worked out on the basis of the ratio of total value of output of Agriculture and Allied sectors of States/UTs. Accordingly, State of Bihar has been allotted Rs. 3980 crore out of the overall target. As on 31st July 2024, 45 Nos. infrastructure units with a sanctioned loan of Rs 50.20 crore have been set up in Muzaffarpur district and it is 22 units with a sanction of Rs 30.64 crore in the district of Vaishali. The benefits released under PM-KISAN scheme in Muzaffarpur and Vaishali districts of Bihar, since inception, is as follows:

	<b>District</b>	<b>Beneficiaries</b>	<b>Amount Released (In Rs. Crore)</b>
1.	Muzaffarpur	4,20,937	1,181.479
2.	Vaishali	2,13,615	558.6554

(d) to (e): Yes, Sir. National Food Security Mission was launched in 2007-08 to increase the production of rice, wheat and pulses through area expansion and productivity enhancement; restoring soil fertility and productivity; and enhancing farm level economy.

Food grain production has increased from 265.05 million tonnes in 2013-14 to record 328.85 million tonnes in 2023-24(as per Third Advance Estimates) production and horticulture production was 352.23 million tonnes (as per 3<sup>rd</sup> advance estimates).

<b>Crops</b>	<b>Production (in million tonnes)</b>
Rice	136.70
Wheat	112.93
Jowar	4.74
Bajra	10.70
Maize	35.67
Ragi	1.56
Small Millets	0.43
Barley	1.65
Nutri Cereals	17.41
Nutri/Coarse Cereals	54.73
Cereals	304.36
Tur	3.39
Gram	11.58
Urad	2.30
Moong	2.92
Lentil	1.75
Other Kharif Pulses	0.78
Other Rabi Pulses	1.78
Total Pulses	24.49
Total Foodgrains	328.85

There are new initiatives for increasing production and productivity of Pulses by strengthening of Breeder Seed production of pulses through ICAR, supplying of Seed Minikits of pulses not older than 10 years free of the cost (100% share) to the farmers. Targeting Rice Fallow Area (TRFA) under NFSM Scheme: The TRFA is sub-scheme of National Food Security Mission (NFSM) programme which gives emphasis on land that remains underutilized after harvesting of Kharif paddy crops and aims to bring a change in the cropping pattern during Rabi season by introducing appropriate varieties of pulses that can be cultivated using available moisture.

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