

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

RAJYA SABHA
UNSTARRED QUESTION NO. 503
TO BE ANSWERED ON THE 29/11/2024

INCREASE IN FINANCIAL SUPPORT TO FARMERS

503. FR. KANIMOZHI NVM SOMU:
SHRI R. GIRIRAJAN:

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

- (a) whether Government has increased financial support to farmers in the country including disbursement of farm loans from banks;
- (b) if so, the details thereof and if not, the reasons therefore;
- (c) whether Government is aware of the difficulties faced by farmers due to mounting debts and crop loss leading to suicide of more than 1.5 lakhs farmers in the last ten years; and
- (d) if so, the details thereof and the effective steps taken by Government to mitigate the farmers' crisis and safeguard their lives?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a) & (b): The various schemes/ programmes of the Government of India are designed to increase the welfare of farmers by increasing production, remunerative returns and income support to farmers. Brief of new schemes/ programmes initiated during last 10 year by Department of Agriculture & Farmer's Welfare for making farming more remunerative and make the farmers financially more secure including disbursement of farm loan are provided in annexur-I.

(c): The National Crime Records Bureau (NCRB) under the Ministry of Home Affairs compiles and disseminates information on suicides in its publication titled 'Accidental Deaths and Suicides in India' (ADSI). The report till 2022 is available on NCRB website (<https://ncrb.gov.in>). In the ADSI Reports 2020, 2021 and 2022, separate reasons for farmers' suicide have not been given.

Government of India supplements the efforts of States through appropriate policy measures, budgetary support and various schemes/ programmes. The various schemes/ programmes of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers.

The initiatives of Government are yielding good results with resultant increase in income of the farmers. As part of the 'Azadi ka Amrit Mahotsav', Indian Council of Agricultural Research has released a compilation of success stories of 75,000 farmers out of innumerable successful farmers whose incomes have increased more than two times".

NSSO Survey on Household Consumption Expenditure (2022-23) has mentioned a statement, which shows a comparison of the estimates of all-India average Monthly Per Capita Consumption Expenditure (MPCE) as under:

Sector	Average MPCE (Rs.) over different period	
	2011-12 NSS (68th round)	2022-2023
Rural	1,430	3,773
Urban	2,630	6,459
Note: For the years 2011-12 and 2022-23, estimates are based on Modified MRP (MMRP).		

Brief of new schemes/ programmes initiated during last 10 year by Department of Agriculture & Farmer's Welfare for making farming more remunerative and make the farmers financially more secure including disbursement of farm loan are already provided in annexure-I.

(d): Effective steps taken by Government to mitigate the farmers' crisis:

Government of India has identified the following seven sources for enhancing income growth of farmers: -

- i. Increase in crop productivity
- ii. Increase in livestock productivity
- iii. Resource use efficiency – reduction in cost of production
- iv. Increase in cropping intensity
- v. Diversification to high value agriculture
- vi. Remunerative prices on farmers' produce
- vii. Shift of surplus manpower from farm to non-farm occupations

To achieve the above seven objectives, Government of India supplements the efforts of States and welfare of farmers through appropriate policy measures and budgetary support and various schemes/ programmes. In the year 2013-14 the budget allocation of Department of Agriculture and Farmers' Welfare was only Rs. 21,933.50 crore. This has increased by more than 5.58 times to Rs. 1,22,528.77 crore in 2024-25.

Agriculture and welfare of farmers are the major focus areas for Government of India. In 2015 the name of the Ministry has been re-designated as Ministry of Agriculture and Farmers Welfare with the main objective of working for welfare of farmers. Ministry of Agriculture and Farmers welfare

as well as other stakeholder Ministries like Ministry of Cooperation, Department of Animal Husbandry and Dairying, Department of Fisheries and Ministry of Rural Development have launched various schemes/programmes to make agriculture more remunerative for farmers to get maximum benefit.

Brief of new schemes/ programmes initiated during last 10 year by DA&FW for making farming more remunerative and make the farmers financially more secure.

1. Increase in budget allocation over the years

In the year 2013-14 the budget allocation of Department of Agriculture and Farmers' Welfare was only Rs.21933.50 crore. This has increased by more than 5.58 times to Rs. Rs.1,22,528.77 crore in 2024-25.

2. Fixing of MSP at one-and-a half times the cost of production

The 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.

3. Income support to farmers through PM KISAN

Launch of PM-KISAN in 2019 - an income support scheme providing Rs. 6000 per year in 3 equal installments. More than Rs. 3.46 lakh crore has been released so far to more than 11 crore farmers as of now.

4. Pradhan Mantri Fasal Bima Yojana (PMFBY)

PMFBY was launched in 2016 addressing during this period nearly Rs. 32,329 crores were paid by farmers as their share of premium against which claims over Rs.1,66,925 crore (Provisional) have been paid to them. Thus, for every 100 rupees of premium paid by farmers, they have received about Rs. 514 as claims. In 2023-24, nearly 4 crores farmers took insurance.

5. Agri Infrastructure Fund

Since the inception of AIF, 83,068 projects have been sanctioned under AIF. These sanctioned projects have mobilized an investment of Rs 84,029 Crores. Major projects sanctioned under AIF include 21,794 Custom Hiring Centres, 17,323 Primary Processing Units, 14,044 Warehouses, 3,252 Sorting & Grading Units, 2,019 Cold Store projects and around 24,636 other kinds of post-harvest management projects and community farming assets.

6. Promotion of FPOs

- A new Central Sector Scheme for Formation & Promotion of new 10,000 FPOs launched by Hon'ble Prime Minister on 29th February, 2020 with budget outlay of Rs 6,865 Crore till 2027-28.
- As on date 9,204 no. of FPOs have been registered under new FPO scheme. Equity Grant of Rs. 237 Crore has been released to 4,490 FPOs. Credit Guarantee Cover worth Rs. 410.5 Cr. issued to 1,773 FPOs

7. Providing Soil Health Cards to farmers

Soil Health Card Scheme was introduced in the year 2014-15 to optimize usage of nutrients. Nearly 22 crores cards have been issued to farmers.

8. Per Drop More Crop (PDMC)

From the year 2015-16 to 2022-23, an area of 98.6 lakh ha has been covered under Micro Irrigation in the Country through the scheme which is about 133% higher as compared to 2005-06 to 2013-14.

9. Launch of the National Mission for Edible Oils – Oil Palm and National Mission for Edible Oils- Oil Seeds –

A new Centrally Sponsored Scheme namely, National Mission on Edible Oil (NMEO)-Oil Palm (NMEO-OP) was launched in August,2021 with a budget outlay of Rs 11040 cr. During the year 2023-

24, GoI has approved the funds allocation of the 15 States for the total amount of Rs. 96,170.93 lakhs as Central share. Similarly, A national mission for providing oil seeds production has also been launched by the government for 2024-30 with an outlay of Rs. 10103 cr.

10. Setting up of E-NAM extension Platform

The Department has integrated 1389 mandis with e-NAM across 23 States & 4 UTs. As on date, 1.78 crore Farmers & 2.62 Lakh traders have been registered on e-NAM portal. During 2023-24 trade volume increase to 194 from 186 lakh tons (4% growth). Volume of trade by FPO increased by more than 2.15 lakh ton to 4.28 lakh ton (99% growth).

11. Institutional agriculture credit :

As per priority Sector Landing (PSL) regulation govt has mandated that banks will provide 18% of their total loans to agriculture and allied sector. Since 2016 a sub limit has been fixed for small and marginal farmers which at present is 10% (i.e. 56% of total agriculture credit must go to small and marginal farmers).

The total agriculture credit to farmers has increased from Rs. **8.45 lakh crore in 2014-15 to Rs. 25.48 lakh crore in 2023-24** which includes Rs. 15.07 lakh Crore of crop loans.

12. Modified Interest Subvention Scheme (MISS)

Department of Agriculture & Farmers' Welfare is implementing Modified Interest Subvention Scheme (MISS), a Central Sector Scheme, with a view to provide short term Agri-loans availed by farmers through KCC for their working capital requirements at concessional rate of interest. Under this scheme, farmers are given KCC loan at subvented interest rate of 7% per annum. For this, at present, interest subvention (IS) @ 1.5% is being given to financial institutions. Therefore, short-term loans to farmers up to Rs. 3.00 lakh are available at an interest rate of 7% per annum for agricultural purposes, which may also have components of animal husbandry, dairy, fisheries, etc. **An additional 3% Prompt Repayment Incentive (PRI)** is also given to the farmers for prompt and timely repayment of loans; thus, reducing the effective interest rate to 4% per annum. In the case of a short-term loan availed only for allied activities (other than crop husbandry), interest subvention would be limited to Rs. 2.00 lakh, including 3% PRI.

Further, the Budget allocation for interest subvention (MISS) which was only Rs. 6000 cr in 2014-15 has now been enhanced to Rs. 22,600 crores for the year 2024-25.

13. MIDH - Cluster Development Programme*

Details of physical progress under the major components of NHM/HMNEH scheme of MIDH from 2014-15 to 2023-24 (as on 30.12.2023) is as under:

- Area Expansion: - An additional area of 13.24 lakh ha. of identified horticulture crops has been covered. Nurseries: - 882 nurseries have been established for production of quality planting material.
- Rejuvenation: - An area of 1.44 lakh ha. of old and senile orchards has been rejuvenated.
- Organic Farming: - An area of 52108 ha. been covered under organic practices.
- Protected Cultivation: - An area of 3.13 lakh ha. has been covered under Protected Cultivation.
- Water Resources: - 51476 water-harvesting structures have been created.
- Beekeeping: - 15.94 lakh bee colonies with hives have been distributed.
- Horticulture Mechanization: -2.65 lakh horticulture mechanization equipment have been distributed.

- Post-Harvest Management Infrastructures: - 1.17 lakh post-harvest units have been established.
- Market Infrastructures: - 15522 market infrastructures have been set up.
- Training of Farmers: - Under HRD, 9.31 lakh farmers have been trained under various horticulture activities.

14. Promotion of organic farming in the country*

- ParamparagatKrishiVikasYojana (PKVY) was initiated in 2015-16 to promote organic farming in the country. 32,384 clusters have been formed and an area of 6.53 lakh hectare has been covered benefitting 16.19 lakh farmers. In addition, Under NamamiGangeProgramme 1.23 lakh hectare area covered and under natural farming 4.09 lakh hectare area covered.
- Government also proposes to promote sustainable natural farming systems through the scheme BhartiyaPrakratikKrishiPadhati (BPKP). The proposed scheme aims at cutting down cost of cultivation, enhancing farmer's income and ensuring resource conservation and, safe and healthy soils, environment and food.
- Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched. 379 Farmer Producer Companies have been formed comprising of 189039 farmers and covering 1,72,966 hectare area.

15. Micro Irrigation Fund*

A Micro Irrigation Fund of initial corpus Rs 5,000 crore has been created with NABARD. In the Budget Announcement for 2021-22, the corpus of the fund is to be increased to Rs.10,000 crores. Projects worth Rs 4,710.96 crore have been approved so far.

16. The National Beekeeping and Honey Mission (NBHM)* was launched in 2020 as part of the AtmaNirbhar Bharat Abhiyan with an outlay of Rs. 500.00 crore for the period of 3 years, i.e., 2020-21 to 2022-23, and the scheme has been extended for next three years, i.e., 2023-24 to 2025-26, with the remaining available budget of Rs. 370.00 crore from the allocated budget of Rs. 500.00 crore for the overall promotion and development of scientific beekeeping and to achieve the goal of "Sweet Revolution".

17. Agricultural Mechanization*

Agricultural mechanization is extremely vital to modernize agriculture and reduce drudgery of farming operations. During the period from 2014-15 to March, 2023 an amount of Rs.6405.55 crore have been allocated for agricultural mechanization. 15,23,650 numbers of machines and equipments have been provided to farmers on subsidy. 23,018 custom hiring centers, 475 high-tech hubs and 20,461 farm machinery banks have been established to make available agricultural machines and equipments to the farmers on rental basis. During 2023-24, Rs.252.39 Crore have been released to States for distribution of 37937 nos. of agricultural machinery ,for establishment of 1916 custom Hiring Centres, 41 Hi-Tech Centres and 82 nos. of Farm Machinery Banks.

*(data as on 06.02.2024)
