

RAJYA SABHA
UNSTARRED QUESTION NO-2413
ANSWERED ON- 21/03/2025

DEVELOPMENT OF FARM DISTRESS INDEX

2413. SHRI ASHOKRAO SHANKARRAO CHAVAN:

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

- (a) whether Government has developed a Farm Distress Index to help Indian farmers;
- (b) if so, the details thereof and the key areas covered under the said index;
- (c) the aims and objectives of developing such index;
- (d) the details of parameters on which the said index has been developed; and
- (e) the manner in which this index will be helpful in averting economic hardships of farmers which often leads to suicide by farmers in many parts of the country?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
(SHRI BHAGIRATH CHOUDHARY)

(a) & (b): Systemic assessment of Farmers' Distress Index (FDI) is not available for the whole country. However, a pilot study "Agrarian Distress and PM Fasal Bima Yojana: An Analysis of Rainfed Agriculture" was conducted to help farmers of Telangana and Andhra Pradesh during 2020-21 and 2021-22. FDI covers multiple causes of distress ranging from climate variability to price volatility and the low risk-bearing ability of farmers etc.

(c) & (d): The Multidimensional FDI was studied at sub-district level with an aim to develop an early warning system for farm distress. The main objective of FDI was to develop a user-friendly tool designed to forewarn different stakeholders and provide policy support about the severity of farmer distress based on seven key parameters viz., exposure to risk, adaptive capacity, sensitivity, mitigation and adaptation strategies, triggers, psychological factors and impacts (**Annexure**). It enables timely preventive action by identifying area. The FDI also proposes a scalable framework for implementation ensuring that government support reaches the most affected regions efficiently.

(e): The FDI is designed to develop a forewarning system to take preventive measures to identify farmer distress, providing alerts three months in advance. FDI can be used as a planning tool to address the causes of farmers' distress and also evolve measures to tackle those causes. It targets to recommend a location-specific distress management package based on various dimensions of the FDI. FDI can be used to categorize and prioritize action points by the government and the local community to reduce farmers' distress.

[Part (c) & (d) of Rajya Sabha USQ No. 2413 dated 21/03/2025]

Explanation of indicators used in FDI

Pillars	Indicator-1	Indicator-2	Indicator-3
Exposure	Loss due to pest/diseases (%)	Loss due to floods/cyclones (%)	Loss due to droughts (%)
Adaptive capacity	Education of the head of household (years)	Total owned land (acre)	Leased-in land (acre)
Sensitivity	Irrigated area (% of total area)	Indebtedness (Rs)	SC/ST community and number of children in household
Adaptation	Non-crop income (as % of total household income)	Number of government schemes household benefited (in current year)	Household savings (Rs.)
Trigger	Informal credit (Rs)	Pressure from repayment of loans (yes/no)	Lack of cash-in-hand to meet immediate farm expenses (yes/no)
Psychological	Feeling of social isolation (yes/no)	Unable to fulfil family obligations (yes/no)	Addicted to alcohol (yes/no)
Impact	Increased indebtedness (Yes/No)	More participation in public works (MGNREGA) (yes/no)	Reduced food consumption (yes/no)
