

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

LOK SABHA
UNSTARRED QUESTION NO. 1357
TO BE ANSWERED ON 03/12/2024

INITIATIVES TO EASE FINANCIAL PRESSURE ON FARMERS

1357. Shri Kuldeep Indora:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि और किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government is aware that the percentage of farmer families with outstanding debts has increased over the last five years;
- (b) the details of the measures being proposed by the Government to ensure that more and more farmer families are able to meet their expenses or fulfil their needs without relying on loans; and
- (c) whether the Government is taking any new initiatives to ease financial pressure on farmers and their dependence on borrowed money to meet their increasing expenditure?

ANSWER

THE MINISTER OF STATE OF AGRICULTURE AND FARMERS WELFARE

कृषि और किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) The details of agriculture credit are as follows: -

Year	2019-20	2020-21	2021-22	2022-23	2023-24
(A) Total Agri loan outstanding (Rs. in Cr)	2058730.24	2277427.93	2513498.941	2888172.88	3352645.70
(B) No of A/c against outstanding amount (in lakh)	1493.78	1531.96	1611.74	1741.04	1874.70
(C) Outstanding per Farmer account (in Rs.)	137799.88	148657.18	155924.25	165891.61	178807.77

(Source RBI/ NABARD)

The number of accounts of the farmers opting for credit through institutional sources has increased by 380.92 lakhs from 31.03.2020 to 31.03.2024. Further, the outstanding per agricultural loan

account is increasing gradually from Rs.137799.88/- as on 31.03.2020 to Rs.178807.77/- as on 31.03.2024.

In addition, NPA in Agriculture loans of Scheduled Commercial Banks, Cooperatives Banks & Regional Rural Banks has been decreased during the last 5 years (ie. from FY 2019-20 to FY 2023-24) as below:

Period	SCBs	Coopertives Banks	RRBs
2019-20	10.3%	7.99%	8.72%
2023-24	6.20%	5.32%	6.65%

Decreasing NPA during this period indicates improvement in repaying capacity of farmers.

(b & C) 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 schemes/ programmes initiated and implemented 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 annexure-I.

Annexure for LS UQ. No.1357 for answer on 03.12.2024

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 eligible farmers.

4. Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched in 2016 to provide crop insurance to farmers to mitigate weather risk.

5. Agri Infrastructure Fund was launched to mobilise investment to create infrastructure in rural and Agriculture sector.

6. Promotion of FPOs A new Central Sector Scheme for Formation & Promotion of new 10,000 FPOs launched in 2020.

7. Soil Health Cards scheme was introduced in the year 2014-15 to optimize usage of nutrients.

8. Per Drop More Crop (PDMC) is being implemented to provide micro irrigation in the country

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

New Centrally Sponsored Scheme namely, National Mission on Edible Oil (NMEO)-Oil Palm (NMEO-OP) and National Mission on Edible Oil (NMEO)-Oil Seeds (NMEO-OS) were launched to promote oil palm and oilseed farmers.

10. Setting up of E-NAM extension Platform to provide better market access to the farmers

11. Institutional agriculture credit :

As per priority Sector Lending (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) is being implemented to provide short term Agri-loans availed by farmers through KCC for their working capital requirements at concessional rate of interest.

13. MIDH - Cluster Development Programme

Mission for Integrated Development of Horticulture (MIDH), a Centrally Sponsored Scheme is being implemented for holistic growth of the horticulture sector covering fruits, vegetables, root and tuber crops, mushrooms, spices, flowers, aromatic plants, coconut, cashew and cocoa.

14. Promotion of organic farming in the country

- i. Paramparagat Krishi Vikas Yojana (PKVY) was initiated to promote organic farming in the country. In addition, Under Namami Gange Programme natural farming have been promoted.
- ii. Government also proposes to promote sustainable natural farming systems through the scheme Bhartiya Prakratik Krishi Padhati (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.
- iii. Mission Organic Value Chain Development in North East Region (MOVCDNER) has been launched.

15. Micro Irrigation Fund

A Micro Irrigation Fund has been created with NABARD.

16. The National Beekeeping and Honey Mission (NBHM) was launched in 2020 for the overall promotion and development of scientific beekeeping and to achieve the goal of "Sweet Revolution".

17. Agricultural Mechanization

Agricultural mechanization is being promoted through Sub Mission on Agriculture Mechanization (SMAM) for providing subsidised machinery to farmers.
