Ministry of Agriculture & Farmers Welfare

Year End Review 2018 Ministry of Agriculture, Cooperation and Farmers Welfare

Following are the major highlights of the Department of Agriculture, Cooperation and Farmers Welfare during the year 2018

Production Scenario of Major Agricultural Crops 2018-19 as per 1st Advance Estimates

Posted On: 26 DEC 2018 2:16PM by PIB Delhi

The Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) fixes target for the production of foodgrains in the country annually. The target for the production of foodgrains has been fixed at 290.25 million tonnes for the 2018-19. The production of foodgrains in the country has been estimated at 284.83 million tonnes (4th Advance Estimates) for 2017-18, which is a record.

As per the India Meteorological Department (IMD), the rainfall in the country was normal (-9%) during South-West monsoon season (June to September 2018).

Production Scenario of Major Rabi Agricultural Crops 2017-18 (as per 4th Advance Estimates)

As per Fourth Advance Estimates for 2017-18, total Rabi Foodgrain production in the country is estimated at 144.10 million tonnes which is higher by 7.32 million tonnes than the previous record production of rabi foodgrain of 136.78 million tonnes achieved during 2016-17. The rabi production during 2017-18 is also higher by 13.58 million tonnes than the previous five years’ (2012-13 to 2016-17) average production of foodgrain.

2. Total production of Rabi Rice during 2017-18 is estimated at record 15.41 million tonnes. Production of rabi rice has increased by 2.01 million tonnes than the production of 13.40 million tonnes during 2016-17. It is also higher by 1.71 million tonnes than the five years’ average production of 13.70 million tonnes.

3. Production of Wheat, estimated at record 99.70 million tonnes, is higher by 1.19 million tonnes as compared to wheat production of 98.51 million tonnes achieved during 2016-17. Further, the production of wheat during 2017-18 is higher by 6.36 million tonnes than the average wheat production of 93.34 million tonnes.
4. Production of **Rabi Nutri / Coarse Cereals** estimated at record 13.10 million tonnes is higher than the average production by 1.91 million tonnes. Further, it is also higher by 1.77 million tonnes as compared to their production of 11.33 million tonnes achieved during 2016-17.

5. Total **Rabi Pulses** production during 2017-18 is estimated at record 15.89 million tonnes which is higher by 2.34 million tonnes than the previous year’s production of 13.55 million tonnes. Moreover, the production of rabi pulses during 2017-18 is higher by 3.60 million tonnes than the Five years’ average production of 12.29 million tonnes.

6. Total **Rabi Oilseeds** production in the country during 2017-18 is estimated at 10.31 million tonnes which is marginally higher by 0.55 million tonnes than the production of 9.76 million tonnes during 2016-17. However, the production of rabi oilseeds during 2017-18 is higher by 0.92 million tonnes than the average rabi oilseeds production (2012-13 to 2016-17).

Production Scenario of Major Kharif Agricultural Crops 2018-19 as per 1st Advance Estimates

The production of foodgrains in the country during Kharif 2018 has been estimated at 141.59 million tonnes (1st Advance Estimates) against 140.73 million tonnes (4th Advance Estimates) during kharif 2017, which is higher by 0.86 million tonnes.Further, kharif foodgrain production is 11.94 million tonnes more than the average production of five years (2012-13 to 2016-17) of 129.65 million tonnes.

1. Total production of Kharif rice is estimated at 99.24 million tonnes. This is higher by 1.74 million tonnes than the last year’s production of 97.50 million tonnes. Further, it is higher by 6.64 million tonnes over the average production of Kharif rice during the last five years.

2. The total production of Nutri / coarse cereals in the country has decreased to 33.13 million tonnes as compared to 33.89 million tonnes during 2017-18. Production of Maize is expected to be 21.47 million tonnes which is higher by 1.23 million tonnes than that of last year’s production of 20.24 million tonnes. Further, this is more than 4.40 million tonnes than the average production of maize during the last five years.

3. The total production of Kharif pulses is estimated at 9.22 million tonnes which is lower by 0.12 million tonnes than the last year’s production of 9.34 million tonnes. However, kharif pulses estimated production is 2.67 million tonnes more than the last five years average production.

4. The total production of Kharif oilseeds in the country is estimated at 22.19 million tonnes as compared to 21.00 million tonnes during 2017-18, i.e., an increase of 1.19 million tonnes. Also, it is higher by 2.02 million tonnes than the average production of last five years.

5. Production of Sugarcane is estimated at 383.89 million tonnes which is higher by 6.99 million tonnes than the last year’s production of 376.90 million tonnes. Further, it is higher by 41.85 million tonnes than the average production of last five years.

6. Estimated production of Cotton is 32.48 million bales (of 170 kg each) and Production of Jute & Mesta estimated at 10.17 million bales (of 180 kg each).

Doubling of Farmers’ Income

The Government has set a target of doubling of farmers’ income by the year 2022. The Government has constituted an Inter-Ministerial Committee under the Chairmanship of Chief Executive Officer, National Rainfed Area Authority, Department of Agriculture, Cooperation and Farmers Welfare to examine issues relating to doubling of farmers’ income and recommend a
strategy to achieve doubling of farmers’ income in real terms by the year 2022.

The committee has identified seven sources of income growth viz, improvement in crop and livestock productivity; resource use efficiency or savings in the cost of production; increase in the cropping intensity; diversification towards high value crops; improvement in real prices received by farmers; and shift from farm to non-farm occupations. The committee is also looking into the investments in and for agriculture e.g. increasing public investments for agriculture-rural roads, rural electricity, irrigation; the need for policy support to enable investments by corporate sector in agriculture.

The Government has been reorienting the agriculture sector by focusing on an income-centeredness which goes beyond achieving merely the targeted production. The income approach focuses on achieving high productivity, reduced cost of cultivation and remunerative price on the produce, with a view to earn higher profits from farming.

Several initiatives have already been taken among each of the above mention strategies which inter-alia include:

(i) Initiating market reforms through the State Governments by amending the agriculture marketing regime.

(ii) Encouraging contract farming through the State Governments by promulgating of Model Contract Farming Act.

(iii) 22,000 Gramin Haats are to be upgraded to work as centers of aggregation and for direct purchase of agricultural commodities from the farmers.

(iv) Launch of eNAM initiative to provide farmers an electronic online trading platform.

(v) Implementation of flagship scheme of distribution of Soil Health Cards to farmers so that the use of fertilizers can be optimized. So far more than 15 crore Soil Health Cards have been distributed in two cycles.

(vi) “Per drop more crop” initiative under which drip/sprinkler irrigation is being encouraged for optimal utilization of water.

(vii) “Paramparagat Krishi Vikas Yojana (PKVY)” under which organic farming is being promoted. North East is being developed as organic hub.

(viii) A revised farmer friendly “Pradhan Mantri Fasal Bima Yojana (PMFBY)” have been launched. The scheme covers various types of risks from pre-sowing to post harvest and the farmers have to pay very nominal premium.

(ix) Under “Har Medh Par Ped”, agro forestry is being promoted for supplementing farm income, increase risk management and climate resilient agriculture as an important component of Integrated Farming Systems

(x) The Indian Forest Act, 1927 was amended to exclude bamboo from the definition of ‘trees’. Henceforth bamboo grown outside forest area will not be regulated under the provisions of felling and transit rules. As a corollary the restructured National Bamboo Mission was launched for development of the value chain of bamboo as a measure to strengthen rural economy by linking the producer (farmer) to markets (industry). (x) Launch of PM-Asha scheme which will ensure MSP to farmers for oilseeds, pulses and copra.
Minimum Support Price (MSP) is notified by the Government for certain crops. Giving a major boost for the farmers’ income, the Government has approved the increase in the MSPs for all Kharif & Rabi crops for 2018-19 season at a level of at least 150 percent of the cost of production.

Bee keeping has been promoted under Mission for Integrated Development of Horticulture (MIDH) to increase the productivity of crops through pollination and increase the honey production as an additional source of income of farmers.

Rashtriya Gokul Mission has been implemented to enhance milk production and productivity of bovines and to make milk production more remunerative to the farmers.

National Livestock Mission has been implemented to increase productivity and genetic improvement of livestock.

Foreseeing high potential in fisheries sector, a Blue Revolution with multi dimensional activities mainly focusing on fisheries production, both inland and marine is being implemented.

The National Mission for Sustainable Agriculture (NMSA), one of the eight Missions under the PM’s National Action Plan on Climate Change is anchored in the Ministry of Agriculture and Farmers Welfare. The revised strategy document for 2018-2030 was prepared for enhancing preparedness of the agriculture and allied sector towards the challenges posed by climate change.

Higher Production through Productivity Gains:

National Food Security Mission

- NFSM programme is being implemented in 638 districts of 29 states of the country for increasing the production and productivity of food grain crops (rice, wheat, pulses, coarse cereals & nutri-cereals) through area expansion and productivity enhancement, restoring soil fertility and productivity at the individual farm level and enhancing farm level economy to restore confidence amongst the farmers.

- From the year 2018-19, NFSM-Nutri-Cereals are being implemented in 202 districts of 14 states (Jowar in 88 districts of 10 states, Bajra in 88 districts of 9 states, Ragi in 44 districts of 8 states and other millets in 43 districts of 7 states). Maize is being implemented in 237 districts and Barley in 39 districts of the country. The North-eastern states, J&K and Himachal Pradesh have given flexibility for implementing the NFSM- Nutri-cereals programme.

- A programme on additional area coverage of Pulses during Rabi/Summer 2018-19 has been launched with an allocation of Rs.288.83 crores (GOI Share) to increase production of rabi/summer pulses through area expansion. The additional allocation for implementation of the aforesaid programme has been made to 15 states.

- As per the target, NFSM has achieved the bumper production of rice, wheat, pulses and
nutri-cum-coarse cereals, during 2017-18 (As per 4 th advance estimates), the production of rice, wheat, pulses and coarse-cum-nutri- cereals have been achieved at the level of 112.91 million tonnes, 99.70 million tonnes, 25.23 million tonnes and 46.99 million tonnes respectively. The total foodgrains production achieved during 2017-18 is 284.83 million tonnes (3.5%) increase against last year.

**New initiatives taken for increasing production and productivity of Pulses from 2016-17 onwards:-**

- Breeder Seed production of pulses was introduced under NFSM-Pulses programme.
- 150 Seed Hubs are being implemented for increasing certified seeds of indigenous production of pulses in India through the Indian Institute of Pulses Research (IIPR), Kanpur and their centres.
- Supplying of Minikits of pulses seed varieties not older than 10 years free of the cost (100% share) to the farmers.
- In addition to State Governments, the ICAR/KVKs/SAUs also involved in conducting the demonstrations on improved latest package of practices of pulses.
- 15% allocation is earmarked for pulses under NFSM for production of quality seeds through State Governments.
- The government has decided to create a buffer stock of pulses to control fluctuation of prices of pulses.

**New initiatives taken for increasing production and productivity of Nutri-Cereals from 2018-19 onwards:-**

- Breeder seed production of nutri-cereals.
- Creation of seed hubs.
- Certified seed production.
- Seed minikits allocation.
- Strengthening/creation of Center of Excellence.
- Publicity of nutri-cereals.

**International Year of Millets:-**

The proposal of Government of India for celebrating an International Year of Millets by UN was endorsed by FAO Council for 2023.

**Agriculture Extension**

1. Agri- Clinic & Agri-business Centre (ACABC)

Candidates trained: 2393 nos.
2. Skill Development: During 2018-19, 882 skill training courses have been planned to impart skill training to 17560 rural youth and farmers with a budget provision of 15.46 crore.

3. Mass Media Support to Agriculture Extension (MMSAE): So far 19105 numbers of Programmes telecast / Broadcast through DD Kisan, DD Regional Kendras and 97 FM All India Radio Kendras from 1st April 2018 to 30th November 2018 on Agriculture and Allied Sector.

4. Extension Reforms (ER): Under ATMA scheme the achievement are as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Nos.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exposure visit (No. of farmers)</td>
<td>270497</td>
</tr>
<tr>
<td>Training (No. of farmers)</td>
<td>1409935</td>
</tr>
<tr>
<td>Demo (No. of farmers)</td>
<td>268745</td>
</tr>
<tr>
<td>Kisan Mela (No. of farmers)</td>
<td>562060</td>
</tr>
<tr>
<td>FIGs (No. of Groups)</td>
<td>11029</td>
</tr>
<tr>
<td>No. of Farm Schools</td>
<td>8289</td>
</tr>
</tbody>
</table>

**Krishi Unnati Mela, 2018**

- A National level 3rd Krishi Unnati Mela was organized by DAC&FW jointly with Indian Council of Agricultural Research and Department of Animal, Husbandry, Dairying & Fisheries, Ministry of Agriculture & Farmers Welfare, Govt. of India from 16-18 March, 2018 at Mela Ground, IARI, Pusa Campus, New Delhi.

- FICCI was selected as Project Management Agency (PMA) for organizing the Krishi Unnati Mela, 2018 through e-tender process.

- The Hon’ble Prime Minister of India visited the Krishi Unnati Mela at the IARI, Mela Ground Pusa, New Delhi on 17.03.2018. He visited the Theme Pavilion and the jaivik mahakumbh. He laid the foundation stone for 25 Krishi Vigyan Kendras(KVKs). He also launched an e-marketing portal for Organic Products. He gave away the Krishi Karman Award and the Pandit Deen Dayal Upadhyaya Krishi Protsahan Puraskar. The Prime Minister appreciated the spirit and the hardwork of our farmers for their achievements in agriculture since independence and further he said that there are important challenges in Agriculture today, which reduce the farmers’ income, an increase his losses and expenditure. The Government is working with a holistic approach to deal with these challenges. He said the aim remains to double farmers’ incomes and make the farmers lives easier.

- The objective of the mela was to create widespread awareness about the latest agricultural technological developments and receive feedback from the agricultural community, which
helps in designing and shaping the Institute’s future research strategy.

- Theme pavilions on doubling farmers’ income by 2022, live demonstration on micro irrigation, waste water utilization and animal husbandry & fisheries was among the major attraction of the fair.

- More than 600 stalls were setup by the Central and State Governments, various organizations etc. in this fair.

- New harvesting techniques through organic means and its successful implementation the Javik Mahakumbh pavilion was a special attraction of the fair. In order to give a boost to Cooperatives a Sehkar Sammelan was also organized. Apart from this, 09 farmers-scientist discussions (3 each day) were organized on important issues.

- About 26000 farmers comprising 17000 from ATMA, 5000 through KVK and 4000 from ICAR from different States visited the Krishi Unnati Mela, 2018. Krishi Vigyan Kendras (KVKs), State Agriculture Universities (SAUs), State Agriculture/ Horticulture Departments, Entrepreneurs, Private Agencies involved in agriculture were also participated in the mela.

- Ways to enhance farmer’s income through theme pavilions like micro irrigation, neem-coated urea, soil check/Soil Health Card, reducing costs through less use of fertilizer, effectiveness of crop insurance scheme and new dimensions of income generation, such as animal husbandry, bee keeping, poultry farming were showcased in the mela. Through a Live demo, farmers witnessed actual farming at the fair.

**Major highlights of the mela:**

- More than 600 stalls
- Display of latest agriculture & allied sector technologies
- Live Demonstrations on Micro-irrigation, waste water utilization, Animal husbandry (Pashudhan) and Fisheries etc.
- Seminars and conferences
- Theme pavilion: Doubling Farmers’ Income by 2022
- Javik Maha Kumbh-on organic farming
- Sahkar Samelan
- Pavilion for inputs (seed, fertilizers, pesticides supplying agencies)
- Horticulture/ Dairy, Animal Husbandry, Fisheries
- ICAR / IARI
- Stalls of Ministry of Textile, Ministry of Food Processing and Industry, Ministry of Commerce and North East Council.
Celebration of Mahila Kisan Diwas

- Mahila Kisan Diwas was organised on October 14-15, 2018 at NAS Complex with participation of various stakeholders’ viz. Women farmers, NGOs, Women Entrepreneurs, Academia, Researchers/Scientists, Farmer Organisations, Representatives from Banking Sector, Industry etc. In all around 450 participants attended this event. The focus of the event was to learn and address issues and constraints related to women farmers in Agriculture; Animal Husbandry, Dairying, Fisheries and other off-farm activities and their access to institutional credit and micro-financing and building agri-enterprises.
- A total 44 progressive women farmers from across the country were felicitated during celebration of Mahila Kisan Diwas @ 2 farm women per State – one from agriculture and other from allied sectors based on the nominations made by their respective States.
- An exhibition was also organised for the benefit of visiting women farmers.

National Conference on “Agriculture 2022 – Doubling Farmers’ Income”

Ministry of Agriculture & Farmers Welfare (MoA&FW) organized a two-day National Conference under the title “Agriculture 2022 – Doubling Farmers’ Income” on 19th and 20th February, 2018 at National Agriculture Science Complex (NASC), Pusa, New Delhi. This Conference was organized on the advice of the Hon’ble Prime Minister Shri Narendra Modi, with a view to identifying various critical issues relating to agriculture and farmers’ welfare and finding appropriate solutions. On 20th February, 2018, the Hon’ble Prime Minister emphasized that efforts are being made to build a new culture that will empower farmers. The focus was being laid on four key areas: reducing input costs, ensuring a fair price for the produce, reducing wastage, and creating alternate sources of income.

Hon’ble Agriculture Minister, Shri Radha Mohan Singh inaugurated the conference on 19th February, 2018 and reiterated that the government is keen to make agriculture policies and programmes income centric. Nearly 300 select participants participated in the conference including farmers, farmers’ associations, scientists, economists, academics, industry experts, professional associations, Non-Governmental Organizations and policy makers. Seven broad themes such as Agricultural Policy and Reforms for Higher And Sustained Farmers’ Income; Trade Policy and Export Promotion; Marketing, Agri-logistics and Agri-value System; Science and Technology, ICT and Start-ups in Agriculture; Sustainable and Equitable Development and Efficient Delivery of Services; Capital Investments and Institutional Credit for Farmers; Promotion of Livestock and Dairy, Poultry and Fishery as Engines of Growth were discussed during the conference.

Mission for Integrated Development of Horticulture (MIDH)

- Area Expansion:- An additional area of 76015 ha. of identified horticulture crops has been covered
- Rejuvenation: - An area of 5060 ha. of old and senile orchards has been rejuvenated.
- Organic Farming: - An area of 200 ha. has been covered.
- Integrated Pests/Nutrient Management: - An area of 33684 ha. has been covered under IPM/INM
- Protected Cultivation: - An area of 22137 ha. has been covered under Protected Cultivation.
• Water Resources: - 1814 water harvesting structures have been created.
• Beekeeping: 29102 bee colonies with hives have been distributed.
• Horticulture Mechanization:-9343 horticulture mechanization equipments have been distributed.
• Post Harvest Management Infrastructures: - 3437 post harvest units have been established.
• Market Infrastructures: - 215 market infrastructures have been set up.
• Training of Farmers: -Under HRD, 98271 farmers have been trained under various horticulture activities.
• State of Kerala has been granted special package of Rs. 56.03 crore (Central Share).
• Civil work of India park in International Expo to be held in Beijing, China in 2019, has been completed.
• Under Indo-Israel Cooperation, 30 Centre of Excellence has been approved, out of which 4 has been inaugurated this year.

Information Technology

• Number of farmers registered on M-kisan portal of this department for receiving agro-advisories increased to 49360436 as on 14-12-2018 from 24162069 as on 31-12-2017.
• The downloads of Kisan Suvidha app increased to 901192 downloads as on 14-12-2018 from 294255 downloads as on 31-12-2017.
• 04 new services added to Kisan Suvidha mobile app during the year, raising the services available on the app to 10.

Innovation and Agri-Entrepreneurship under RKVY-RAFTAAR

The Rashtriya Krishi Vikas Yojna (RKVY) is an important scheme of the Government of India, Ministry of Agriculture and Farmers' Welfare (MoA&FW), aimed at strengthening infrastructure in agriculture and allied areas. In order to promote agripreneurship and agribusiness by providing financial support and nurturing the incubation ecosystem, a new component under the revamped scheme RKVY- RAFTAAR has been launched in 2018-19 with 10% of annual outlay including 2% of the total outlay for administrative purposes.

In this connection, DAC&FW has appointed five Knowledge Partners (KPs) namely MANAGE.3, Hyderabad, NIAM Jaipur, IARI Pusa, University of Agriculture Science, Dharwad, Karnataka and Assam Agriculture University, Jorhat for implementation assistance to advise on smooth and efficient execution of the scheme, handholding of R-ABIs and other related matters etc.

Under this scheme, new agribusiness incubators will be established as well as existing agribusiness incubators strengthened as RKVY — RAFTAAR Agribusiness Incubators (RABIs) with need-based infrastructure, equipment and manpower. These R-ABIs will in turn invite applications from agripreneurs in different stages of the business life cycle (ideation/expansion) and provide them an opportunity to generate innovations in agriculture and allied sector.

Reduction in cost of cultivation:

Agricultural Mechanization-Crop Residue Management Scheme

1. In pursuance to Budget 2018 announcement a new Central Sector Scheme on ‘Promotion of Agricultural Mechanization for In-Situ Management of Crop Residue in the States of Punjab, Haryana, Uttar Pradesh and NCT of Delhi’ for the period from 2018-19 to 2019-20
has been introduced with the total outgo from the Central funds of Rs. 1151.80 crore (Rs. 591.65 crore in 2018-19 and Rs. 560.15 crore in 2019-20).

2. The Scheme has the following components (100% Central Share)

1. **Establish Farm Machinery Banks for Custom Hiring of in-situ crop residue management machinery**: Financial assistance @ 80% of the project cost is provided to the Co-operative Societies of farmers, FPOs, Self-Help Groups, registered Farmers Societies / farmers groups, Private Entrepreneurs, Group of women farmers or self-help groups for establishment of farm machinery banks or custom hiring centres of in-situ crop residue management machinery.

2. **Financial Assistance to farmers for Procurement of Agriculture Machinery and Equipment for in-situ crop residue management**: Financial assistance @ 50% of the cost of machinery/equipment is provided to individual farmers for purchase of machinery/equipment for crop residue management.

3. **Information, Education and Communication for awareness on in-situ crop residue management**: Financial assistance is provided to the State Governments, KVKs, ICAR Institutions, Central Government Institutions, PSUs etc. for the activities to be undertaken towards Information, Education and Communication (IEC).

3. **Achievements of the scheme**

<table>
<thead>
<tr>
<th>States/Agency</th>
<th>Funds released (Rs. in crore)</th>
<th>Expenditure (Rs. in crore)</th>
<th>Procurement of machinery (Nos.)</th>
<th>Establishment of Custom Hiring Centres (Nos.)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Target</td>
<td>Achievement</td>
<td>Target</td>
<td>Achievement</td>
</tr>
<tr>
<td>Punjab</td>
<td>269.38</td>
<td>257.00</td>
<td>8309</td>
<td>12348</td>
</tr>
<tr>
<td>Haryana</td>
<td>137.84</td>
<td>121.86</td>
<td>3718</td>
<td>3548</td>
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<tr>
<td>Uttar Pradesh</td>
<td>148.60</td>
<td>117.00</td>
<td>19164</td>
<td>16453</td>
</tr>
<tr>
<td>ICAR and other agencies</td>
<td>28.51</td>
<td>25.50</td>
<td>560</td>
<td>528</td>
</tr>
<tr>
<td>Total</td>
<td>584.33</td>
<td>521.36</td>
<td>31751</td>
<td>32877</td>
</tr>
</tbody>
</table>

4. The Secretary DAC&FW through Video Conferencing with the State level and District level officers is regularly monitoring the progress as well as burning incidences under the scheme. The Video Conferences have been held on 11.10.2018, 17.10.2018, 25.10.2018, 01.11.2018 & 12.11.2018, 20.11.2018, 28.11.2018 and 18.12.2018.

5. The progress of the scheme also monitored by the High Level Monitoring Committee under the chairmanship of Secretary (Department of Agriculture, Research and Education) and DG (Indian Council of Agricultural Research). The meetings have been held on 02.08.2018, 20.09.2018, 26.10.2018 & 15.11.2018.

**Soil Health Management**
Soil Health Management (SHM) is one of the components under National Mission for Sustainable Agriculture (NMSA). SHM aims at promoting Integrated Nutrient Management (INM) through judicious use of chemical fertilizers including secondary and micro nutrients in conjunction with organic manures and biofertilizers for improving soil health and its productivity; strengthening of soil and fertilizer testing facilities to provide soil test based recommendations to farmers for improving soil fertility; ensuring quality control requirements of fertilizers, biofertilizers and organic fertilizers under Fertilizer Control Order, 1985; upgradation of skill and knowledge of soil testing laboratory staff, extension staff and farmers through training and demonstrations; promoting organic farming practices etc.

Under the scheme, a sum of Rs. 7168.00 lakh released to States for setting up of 6 Static Soil Testing Laboratories (STLS), 6 Mobile Soil Testing Laboratories, 1561 Village Soil Testing labs, 139 Strengthening of STLS, 2 Fertilizer Quality Control Labs (FQCLs), 21 Strengthening of FQCLs sanctioned to States.

**Soil Health Card Scheme**

“Soil Health Card” Scheme is under implementation in the country since February 2015 to provide Soil Health Card to all farmers in the country. Soil Health Card will provide information to farmers on soil nutrient status of their soil and recommendation on appropriate dosage of nutrient to be applied for improving soil health and its fertility. Soil Health card will be issued every 2 years for all land holdings in the country.

Under the Scheme, during the year, a sum of Rs. 18769.73 lakh released to States. During the 2nd Cycle of the scheme (2017-18 to 2018-19), 255.48 lakh soil samples collected, 202.34 lakh soil samples tested and 687.59 lakh soil health cards distributed to farmers.

**Parampragat Krishi Vikas Yojana (PKVY)**

1. Parampragat Krishi Vikas Yojana (PKVY) is the first comprehensive scheme launched as a Centrally Sponsored Programme (CSP) from 2015-17, which now has been revised for next 3 years. The scheme is implemented with a 90:10 (GoI: State Govt.) funding pattern in 8 NE states and 3 hilly states of J&K, Himachal Pradesh, and Uttarakhand, 100% in Union Territory and 60:40 funding pattern in remaining states of the country. The new guidelines of the scheme has been uploaded in the website www.agricoop.nic.in

2. The scheme PKVY is implemented by the State Government on per hectare basis for 500-1000 hectare area in each cluster. A group of farmers having a total area of 20 hectare as far as possible in contiguous patch within a village. The farmer within a group can avail benefit to a maximum of 2 ha. and the limit of assistance is Rs.50, 000 per hac., out of which 62% i.e., Rs. 31,000 is given as incentives to a farmer for organic conversion, organic inputs, on farm inputs, production infrastructure, etc., shall be provided directly through DBT during the conversion period of 3 years. The target of an area of around 4 lacks ha is proposed to be covered in the coming 2 years which is double the area covered in last three year

3. Total 20,000(20 ha each) new clusters allocated to the states.

4. Total fund released during 2018-19 is Rs 204.33 crore for 16,333 clusters (20 ha each) for 3.27 lakh ha area.

5. The status of PGS India is as under:

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<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>1. No. of Regional Council registered</td>
<td>325</td>
</tr>
<tr>
<td>2. No. of Local Groups registered</td>
<td>11705</td>
</tr>
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</table>
Mission Organic Value Chain Development for North Eastern Region (MOVCDNER)

Realizing the potential of organic farming in the North Eastern Region of the country, Ministry of Agriculture and Farmers Welfare has launched a Central Sector Scheme entitled “Mission Organic Value Chain Development for North Eastern Region” for implementation in the states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura, during 2015-16 to 2017-18. The scheme aims at development of certified organic production in a value chain mode to link growers with consumers and to support the development of entire value chain starting from inputs, seeds, certification and creation of facilities for collection, aggregation, processing, marketing and brand building initiative. The scheme was approved with an outlay of Rs. 400 crore for three years.

The assistance is provided for cluster development, on/off farm input production, supply of seeds/planting materials, setting up of functional infrastructure, establishment of integrated processing unit, refrigerated transportation, pre-cooling/cold stores chamber, branding labeling and packaging, hiring of space, hand holdings, organic certification through third party, mobilization of farmersprocessors etc. Under this scheme, an area of 50,000 ha have been targeted to be covered under organic farming in North Eastern Region of the country during the period of three years i.e. from year 2015-16 to 2017-18.

Major components of MOVCDNER:

1. Value Chain Production
2. Value Chain Processing
3. Value Chain Marketing
4. Value Chain Support Agencies

Physical and Financial Progress report of MOVCDNER scheme

A) Fund Released:

1. During the year 2015-16 an amount of Rs. 112.11 crore has been released.
2. During the year 2016-17 an amount of Rs 47.63 crore has been released.
3. During the year 2017-18 an amount of Rs 66.22 crore has been released.
4. In the current financial year 2018-19 an amount of Rs 126.25 crore have been released to eight states.

B) Physical progress:

MOVCDNER PH -1 - As on against target of 50000 ha area, 45918 ha area brought under the Organic Farming. All the 100 FPCs have been achieved, against the target of 2500 FIGs, 2469 FIGs has been formed, and 48948 farmers are mobilized. MOVCDNER PH -2 - As on against target of 50000 ha area, 20103 ha area brought under the Organic Farming. Against the target of 2500 FIGs 876 FIGs has been formed and 19924 farmers are mobilized.

C) Marketing progress:
The Different brands are already developed at State level -:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the State</th>
<th>Brand Name / Trademarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Arunachal Pradesh</td>
<td>Organic Arunachal</td>
</tr>
<tr>
<td>2</td>
<td>Manipur</td>
<td>Organic Manipur</td>
</tr>
<tr>
<td>3</td>
<td>Mizoram</td>
<td>Mission Organic Mizoram</td>
</tr>
<tr>
<td>4</td>
<td>Nagaland</td>
<td>Naga Organic</td>
</tr>
<tr>
<td>5</td>
<td>Sikkim</td>
<td>Sikkim Organic Mission</td>
</tr>
<tr>
<td>6</td>
<td>Tripura</td>
<td>Tripura Organic (Under Process)</td>
</tr>
<tr>
<td>7</td>
<td>Assam</td>
<td>Organic Assam</td>
</tr>
</tbody>
</table>

- Opened Organic retail outlet cum restaurant at Dilli Haat, INA, New Delhi and implemented through North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC).
- Participation in exhibitions and Trade fairs
- Buyer seller meets, workshops, videos, photographs and publicity material
- Activities & competitions with MyGov
- NERAMAC & NAFED is providing hand-holding in marketing of Organic produce / branded organic products.

**Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) –Per Drop More Crop**

Department of Agriculture, Cooperation & Farmers Welfare is implementing Per Drop More Crop component of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), which is operational from 2015-16 in the country. PMKSY (Per Drop More Crop) mainly focuses on water use efficiency at farm level through precision/micro irrigation. Besides promoting precision irrigation (Drip and Sprinkler Irrigation System) and better on-farm water management practices to optimize the use of available water resources, this component also supports micro level water storage or water conservation/management activities as Other Interventions (OI) to supplement source creation.

- Allocation for 2018-19: Rs.4000 crore (BE)
- Release made so far: Rs. 1978.26
- Achievement: About 6.1 lakh ha so far

**Micro Irrigation Fund**

In order to achieve the objective of enhancing water use efficiency in agriculture sector and bring about desired growth, Finance Minister announced in the Union Budget for 2017-18 setting up of a dedicated fund in NABARD titled “Micro Irrigation Fund” (MIF) with initial corpus of Rs.5000 crores.

Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 16th May, 2018 approved a dedicated Micro Irrigation Fund created with NABARD with an initial corpus of Rs. 5000 crore (Rs. 2000 crore for 2018-19 & Rs. 3000 crore for 2019-20) for encouraging public and private investments in Micro irrigation.

The main objective of the fund is to facilitate the States in mobilizing the resources for expanding
coverage of Micro Irrigation by taking up special and innovative projects and also for incentivizing micro irrigation beyond the provisions available under Per Drop More Crop (PDMC) component of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to encourage farmers to install micro irrigation systems.

**Rainfed Area Development Programme**

Rainfed Area Development (RAD) programme under National Mission for Sustainable Agriculture (NMSA) focuses on Integrated Farming System (IFS) for enhancing productivity and minimizing risks associated with climatic variabilities. Under this system, crops/cropping system is integrated with activities like horticulture, livestock, fishery, agro-forestry, apiculture etc. to enable farmers to mitigate the impacts of drought, flood or other extreme weather events with the income opportunity from allied activities during crop damage.

- Allocation for 2018-19: Rs.234 crore (BE)
- Against the allocated amount to the States, an amount of Rs. 148.09 crore has been released.
- About 34000 ha of area has been achieved under various Integrated Farming Systems which sustainable for climatic variations.

**To ensure remunerative returns:**

**Enhancing of Minimum Support Price- MSP declared at 150% of Cost of Production**

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times the cost of production. Accordingly, Government has increased the Minimum Support Prices (MSPs) for all notified Kharif, Rabi and other commercial crops with a return of at least 50 percent of cost of production for the season 2018-19. This decision of the Government was a historic one as it fulfills the commitment to the farmers to provide 50 per cent return over cost of production for the first time for all mandated crops. Details of MSP, cost and percent return over cost for 2017-18 and 2018-19 is given below:

**Cost*, Minimum Support Price (MSP) & percent return over cost**

(Rs. per quintal)

<table>
<thead>
<tr>
<th>S.No.</th>
<th>KHARIF CROPS</th>
<th>MSP (2017-18)</th>
<th>MSP (2018-19)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PADDY (Common)</td>
<td>1550</td>
<td>1750</td>
</tr>
<tr>
<td>2</td>
<td>JOWAR (Hybrid)</td>
<td>1700</td>
<td>2430</td>
</tr>
<tr>
<td>3</td>
<td>BAJRA</td>
<td>1425</td>
<td>1950</td>
</tr>
<tr>
<td>4</td>
<td>MAIZE</td>
<td>1425</td>
<td>1700</td>
</tr>
<tr>
<td>5</td>
<td>RAGI</td>
<td>1900</td>
<td>2897</td>
</tr>
<tr>
<td>6</td>
<td>ARHAR (Tur)</td>
<td>5450</td>
<td>5675</td>
</tr>
<tr>
<td>7</td>
<td>MOONG</td>
<td>5575</td>
<td>6975</td>
</tr>
<tr>
<td>8</td>
<td>URAD</td>
<td>5400</td>
<td>5600</td>
</tr>
<tr>
<td>9</td>
<td>COTTON (Medium Staple)</td>
<td>4020</td>
<td>5150</td>
</tr>
<tr>
<td>10</td>
<td>GROUNDNUT IN SHELL</td>
<td>4450</td>
<td>4890</td>
</tr>
</tbody>
</table>
**Components of PM-AASHA:**

<table>
<thead>
<tr>
<th>#</th>
<th>Crop Name</th>
<th>MSP 2018</th>
<th>MSP 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>SUNFLOWER SEED</td>
<td>4100</td>
<td>5388</td>
</tr>
<tr>
<td>12</td>
<td>SOYABEAN</td>
<td>3050</td>
<td>3399</td>
</tr>
<tr>
<td>13</td>
<td>SESAMUM</td>
<td>5300</td>
<td>6249</td>
</tr>
<tr>
<td>14</td>
<td>NIGERSEED</td>
<td>4050</td>
<td>5877</td>
</tr>
<tr>
<td></td>
<td><strong>RABI CROPS</strong></td>
<td><strong>Total</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>WHEAT</td>
<td>1735</td>
<td>1840</td>
</tr>
<tr>
<td>2</td>
<td>BARLEY</td>
<td>1410</td>
<td>1440</td>
</tr>
<tr>
<td>3</td>
<td>GRAM</td>
<td>4400</td>
<td>4620</td>
</tr>
<tr>
<td>4</td>
<td>MASUR (LENTIL)</td>
<td>4250</td>
<td>4475</td>
</tr>
<tr>
<td>5</td>
<td>RAPESEED/MUSTARD</td>
<td>4000</td>
<td>4200</td>
</tr>
<tr>
<td>6</td>
<td>SAFFLOWER</td>
<td>4100</td>
<td>4945</td>
</tr>
<tr>
<td></td>
<td><strong>OTHER CROPS</strong></td>
<td><strong>Total</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>COPRA (Milling)</td>
<td>6500</td>
<td>7511</td>
</tr>
<tr>
<td>2</td>
<td>JUTE</td>
<td>3500</td>
<td>3700</td>
</tr>
<tr>
<td>3</td>
<td>SUGARCANE #</td>
<td>255</td>
<td>275</td>
</tr>
</tbody>
</table>

* 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 and imputed value of family labour.

# Fair and Remunerative Price (FRP)

**Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA)**

Cabinet approves New Umbrella Scheme “Pradhan Mantri Annadata Aay SanraksHan Abhiyan” (PM-AASHA)

PM-AASHA will provide MSP assurance to farmers: A reflection of Government’s commitment to the “Annadata”

Giving a major boost to the pro-farmer initiatives of the Government and in keeping with its commitment and dedication for the Annadata, the Union Cabinet chaired by Prime Minister Shri Narendra Modi has approved a new Umbrella Scheme “Pradhan Mantri Annadata Aay SanraksHan Abhiyan’ (PM-AASHA). The Scheme is aimed at ensuring remunerative prices to the farmers for their produce as announced in the Union Budget for 2018.

This is an unprecedented step taken by Govt. of India to protect the farmers’ income which is expected to go a long way towards the welfare of farmers. Government has already increased the MSP of kharif crops by following the principle of 1.5 times the cost of production. It is expected that the increase in MSP will be translated to farmer’s income by way of robust procurement mechanism in coordination with the State Governments.
The new Umbrella Scheme includes the mechanism of ensuring remunerative prices to the farmers and is comprised of

- Price Support Scheme (PSS),
- Price Deficiency Payment Scheme (PDPS)
- Pilot of Private Procurement & Stockist Scheme (PPPS).

The other existing schemes of Department of Food and Public Distribution (DFPD) for procurement of paddy, wheat and nutri-cereals/coarse grains and of Ministry of Textile for cotton and jute will be continued for providing MSP to farmers for these crops.

Cabinet has also decided that participation of private sector in procurement operation needs to piloted so that on the basis of learnings the ambit of private participation in procurement operations may be increased. Therefore, in addition to PDPS, it has been decided that for oilseeds, states have the option to roll out Private Procurement Stockist Scheme (PPSS) on pilot basis in selected district/APMC(s) of district involving the participation of private stockiest. The pilot district/selected APMC(s) of district will cover one or more crop of oilseeds for which MSP is notified. Since this is akin to PSS, in that it involves physical procurement of the notified commodity, it shall substitute PSS/PDPS in the pilot districts.

The selected private agency shall procure the commodity at MSP in the notified markets during the notified period from the registered farmers in consonance with the PPSS Guidelines, whenever the prices in the market fall below the notified MSP and whenever authorized by the state/UT government to enter the market and maximum service charges up to 15% of the notified MSP will be payable.

**Expenditure:**

The Cabinet has decided to give additional government guarantee of Rs.16,550 crore making it Rs. 45,550 crore in total.

In addition to this, budget provision for procurement operations has also been increased and Rs. 15,053 crore is sanctioned for PM-AASHA implementation. The scheme henceforth is a reflection of Government’s commitment and dedication to our ‘Annadata’.

**Procurement over the years:**

During financial years 2010-14 total procurement was Rs. 3500 crore only whereas during financial years 2014-18, it has risen 10 times and reached to Rs. 34,000 crore. For procurement of these agri-commodities during 2010-14, Government Guarantee of Rs. 2500 crore was provided with expenditure of only Rs. 300 crore; while during 2014-18, Guarantee amount has been increased to Rs. 29,000 crore with expenditure of Rs. 1,000 crore.

**Details:**

Government of India is working with the holistic approach of solving any issue rather than in fragments. Increasing MSP is not adequate and it is more important that farmers should get full benefit of the announced MSP. For this, government realizes that it is essential that if price of the agriculture produce market is less than MSP, then in that case State Government and Central Government should purchase either at MSP or work in a manner to provide MSP for the farmers through some other mechanism. With this approach, Cabinet has approved the Umbrella Scheme of PM-AASHA with three sub-schemes i.e. Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement & Stockist Scheme
In Price Support Scheme (PSS), physical procurement of pulses, oilseeds and Copra will be done by Central Nodal Agencies with proactive role of State governments. It is also decided that in addition to NAFED, Food Cooperation of India (FCI) will take up PSS operations in states/districts. The procurement expenditure and losses due to procurement will be borne by Central Government as per norms.

Under Price Deficiency Payment Scheme this scheme (PDPS), it is proposed to cover all oilseeds for which MSP is notified. In this direct payment of the difference between the MSP and the selling/modal price will be made to pre-registered farmers selling his produce in the notified market yard through a transparent auction process. All payment will be done directly into registered bank account of the farmer. This scheme does not involve any physical procurement of crops as farmers are paid the difference between the MSP price and Sale/modal price on disposal in notified market. The support of central government for PDPS will be given as per norms.

**Pro-farmer initiatives of the Government:**

The Government is committed to realizing the vision of doubling farmers’ income by 2022. The emphasis is on enhancing productivity, reducing cost of cultivation and strengthening post-harvesting management, including market structure. Several market reforms have been initiated. These include Model Agricultural Produce and Livestock Marketing Act, 2017 and Model Contract Farming and Services Act, 2018. Many States have taken steps to adopt these through legislation.

Efforts are on for a new market architecture, so as to ensure that farmers get remunerative prices on their produce. These include setting up of Gramin Agricultural Markets (GrAMs) so as to promote 22,000 number of retail markets in close proximity of farm gate; competitive and transparent wholesale trade at APMC through eNAM and a robust and pro-farmer export policy.

Besides, several other pro-farmers’ initiatives such as implementation of Pradhan Mantri Fasal Bima Yojana, Pradhan Mantri Krishi Sinchai Yojana, Paramparagat Krishi Vikas Yojana and distribution of Soil Health Cards have been undertaken. The commitment for farmer welfare is also reflected by unprecedented decision of announcing minimum support price based on the formula of 1.5 times the cost of cultivation.

**Agricultural Marketing**

**National Agriculture Market (e-NAM)**

- 115 wholesale regulated markets have been integrated with e-NAM platform to achieve the target of total 585 e-NAM markets in 16 States and 2 Union Territories.
- The financial assistance has been sanctioned for cleaning, grading, sorting and packaging facilities in 320 existing e-NAM mandis and for compost unit in 245 existing e-NAM mandis.
- Rs. 137.33 crore have been sanctioned for cleaning, grading, sorting and packaging facilities and compost unit.
- Cabinet Committee on Economic Affairs (CCEA) has approved the proposal for integration of additional 415 wholesale regulated markets with e-NAM platform during 2018-20.
Venture Capital Assistance:

- In order to encourage Agri-preneurs to set up Agri-based processing Units directly or indirectly benefiting the small and marginal farmers, SFAC has sanctioned VCA to 484 Projects amounting to Rs. 140.81 crores having Project Cost of Rs. 1631.25 crores during January to December 2018.

Formation of Farmer Producer Companies:

- 22 Farmer Producer Companies (FPCs) were formed and registered involving 22000 farmers during January to December 2018. As on 7.12.2018, total of 773 FPOs have been registered and 123 FPOs are under the process of registration.

Upgradation and development of rural haats as Gramin Agricultural Markets (GrAMs)

- A survey of 9477 rural haats has been conducted through Directorate of Marketing & Inspection (DMI), an attached office under Department of Agriculture, Cooperation & Farmers Welfare, for finding the status of infrastructure, type of commodities etc. in rural haats for better formulation of strategy of developing of rural haats.

- Proposal for creation of Agri-market Infrastructure Fund (AMIF) of Rs. 2000 crore for developing marketing facilities in Gramin Agriculture Markets (GrAMs) has been approved by Expenditure Finance Committee (EFC) headed by Secretary (Expenditure). The proposal is being submitted to Cabinet Committee for Economic Affairs (CCEA) for approval.

- DAC&FW has formulated the operational guidelines for Operations and Management of Gramin Agricultural Markets (GrAMs), which has been approved by Hon’ble Union Agriculture Minister. The Operational Guidelines have been shared with all States/Union Territories as well as Ministry of Rural Development, Ministry of Panchyati Raj and Ministry of Tribal Affairs to guide them in operation and management of GrAMs.

Agricultural Marketing Infrastructure (AMI)

- Agricultural Marketing Infrastructure (AMI), sub scheme of Integrated Scheme of Agricultural Marketing (ISAM), has been re-open w.e.f. 22.10.2018 for the period coterminous with the 14th Finance Commission i.e. upto 2019-20.

Model Contract Farming Act

In order to optimize the use of scarce resources and mitigate the uncertainty in price and marketing, the Government has formulated and released a progressive and facilitative Model Act “The ----State/ UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018” in May, 2018 for its adoption by the states/Union Territories (UTs). The aforesaid Model Contract Farming Act covers the entire value and supply chain from pre-production to post harvest marketing including services contract for the agricultural produce and livestock.

For Risk Mitigation:

Pradhan Mantri Fasal Bima Yojana
Based on the experience gained in implementation of the scheme over two years and with a view to ensure better transparency, accountability and timely payment of claims to the farmers, Government has comprehensively revised the Operational Guidelines of the scheme recently. These revised guidelines have come into effect from 1st October, 2018 i.e, from Rabi 2018-19 season. The brief features/changes in the revised OGs are as under:-

Provision of Penalties/Incentives for States, ICs and Banks i.e, 12% interest rate per annum to be paid by the Insurance Company to farmers for delay in settlement claims beyond 10 days of prescribed cut off date for payment of claims.

Similarly, State Government has to pay 12% interest rate for delay in release of State share of Subsidy beyond three months of prescribed cut off date/submission of requisition by Insurance Companies.

Rationalization of methodology for calculation of Threshold Yield (TY) – Moving average of best 5 out of 7 years for calculation of claim amount.

Increased time for change of crop name for insurance – upto 2 working days prior to cut-off date for enrolment instead of earlier provision of 1 month before cut off date.

More time to insured farmers to intimate individual claims – 72 hours (instead of 48 hours) through any stakeholders and directly on the portal.

Inclusion of hailstorm in post harvest losses, besides unseasonal and cyclonic rainfall.

Inclusion of cloud burst and natural fire in localized calamities in addition to hailstorm, landslide and inundation.

Detailed plan for publicity and awareness- earmarked expenditure – 0.5% of Gross premium per company per season.

Inclusion of Perennial horticultural crops (on pilot basis) under the ambit of PMFBY.

Use of Remote Sensing Technology (RST) in clustering/Risk classification.

The scheme is in its third year of implementation and the Department has put a rigorous monitoring mechanism in place in form of weekly Video Conferencing with all stakeholders including States, Insurance Companies, Banks and other supporting agencies, issues based meetings with concerned stakeholders including meetings of Technical Advisory Committee and meetings of National Level Monitoring Committee (NLMC) to ensure early settlement of claims under the scheme.

**Agricultural Credit**

Agriculture is a dominant sector of our economy and credit plays an important role in increasing agriculture production. Availability and access to adequate, timely and low cost credit from institutional sources is of great importance especially to small and marginal farmers. Along with other inputs, credit is essential for establishing sustainable and profitable farming systems. Experience has shown that easy access to financial services at affordable cost positively affects the productivity, asset formation, and income and food security of the rural poor.

The Government of India has initiated several policy measures to improve the accessibility of farmers to the institutional sources of credit. The emphasis of these policies has been on
progressive institutionalization for providing timely and adequate credit support to all farmers with particular focus on small and marginal farmers and weaker sections of society to enable them to adopt modern technology and improved agricultural practices for increasing agricultural production and productivity. These policy measures have resulted in significant increase in the share of institutional credit. Every year, the GoI in the Union Budget, announces the ground level credit target for agriculture which banks have to achieve during the financial year.

Banks have been consistently surpassing the annual target. The targets and achievement made in respect of agriculture credit flow for the last four years are as under:

(Rs.in crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>8,00,000</td>
<td>8,45,328.23</td>
</tr>
<tr>
<td>2015-16</td>
<td>8,50,000</td>
<td>9,15,509.92</td>
</tr>
<tr>
<td>2016-17</td>
<td>9,00,000</td>
<td>10,65,755.67</td>
</tr>
<tr>
<td>2017-18</td>
<td>10,00,000</td>
<td>11,68,502.83</td>
</tr>
</tbody>
</table>

To give higher thrust to capital formation in agriculture for improving production and productivity in agriculture sector, a sub target of 35% under Term loan, which works out to Rs.3,85,000 crore within the overall agriculture credit target of Rs.11,00,000/- crore has been fixed for the year 2018-19 and the Agency-wise, purpose-wise agriculture credit targets for 2018-19 is as under:-

(Rs. in crore)

<table>
<thead>
<tr>
<th>Agency</th>
<th>Crop Loan</th>
<th>Term Loan</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Banks</td>
<td>4,63,000</td>
<td>3,29,000</td>
<td>7,92,000</td>
</tr>
<tr>
<td>Cooperative Banks</td>
<td>1,42,000</td>
<td>23,000</td>
<td>1,65,000</td>
</tr>
<tr>
<td>Regional Rural Banks</td>
<td>1,10,000</td>
<td>33,000</td>
<td>1,43,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,15,000</strong></td>
<td><strong>3,85,000</strong></td>
<td><strong>11,00,000</strong></td>
</tr>
</tbody>
</table>

1. **Interest Subvention Scheme**

With a view to ensuring availability of agriculture credit, the GoI had launched Interest Subvention scheme in the year 2006-07. As per the extant guidelines of GoI for the year 2017-18 and 2018-19, Interest Subvention of 2% per annum is provided to Public Sector Banks, Private Sector Banks (in respect of loans given by their rural and semi urban branches), Cooperative Banks and Regional Rural Banks on their own funds used for short term crop loans upto Rs.3,00,000/- per farmer provided the lending institutions make available short-term credit at the ground level at 7% per annum to farmers.

In addition to above, a scheme was introduced from 2009-10 for providing additional interest subvention to the prompt paying farmers wherein presently 3% Interest Subvention as an incentive to prompt payee farmers is given. This subvention is available to farmers on the short term production credit upto maximum amount of Rs.3.00 lakh availed during the year. Thus the
prompt paying farmers are getting short term crop loans @4% per annum from various banks.

In order to discourage distress sale by farmers and to encourage them instead to store their produce in warehouses, the benefit of interest subvention will be available to small and marginal farmers having Kisan Credit Card for a further period of upto six months after the harvesting of the crop at the same rate as available to crop loan against Negotiable Warehouse Receipts issued for the produce stored in warehouses accredited with Warehousing Development Regulatory Authority.

To provide relief to farmers affected by natural calamities, an interest subvention of 2 per cent per annum will be made available to banks for the first year on the restructured loan amount. Such restructured loans will attract normal rate of interest from the second year onwards as per the policy laid down by the RBI. The details for budget allocation and expenditure under the scheme for the last three years and the current year are as under:

(Rs. crore)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Year</th>
<th>Budget allocation</th>
<th>Actual Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2014-15</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>2</td>
<td>2015-16</td>
<td>13,000</td>
<td>13,000</td>
</tr>
<tr>
<td>3</td>
<td>2016-17</td>
<td>13,619.13</td>
<td>13,397.13</td>
</tr>
<tr>
<td>4</td>
<td>2017-18</td>
<td>15,000</td>
<td>13,045.72</td>
</tr>
<tr>
<td>5.</td>
<td>2018-19</td>
<td>15,000</td>
<td>10,554.81 (As on date)</td>
</tr>
</tbody>
</table>

III. Master directions on Natural Calamities:

The Reserve Bank of India has put in place a mechanism to address situations arising out of natural calamities and has issued guidelines in the form of Master Directions to banks on ‘Relief Measures by Banks in Areas affected by Natural Calamities’. These guidelines automatically come into force after the state/district authorities declare the calamity. The conveners are to ensure that District Consultative Committees (DCCs) and State Level Bankers’ Committees (SLBCs) meeting are held at the earliest to evolve a coordinated action plan for implementation of the relief programme in collaboration with State/District Authorities. The banks’ contribution in providing relief relates to rescheduling of existing loans and sanctioning of fresh loan. The precise details of credit assistance by the banks will depend on the requirements of the situation, their own operational capabilities and the actual needs of the borrowers.

The Bank has also developed a portal to capture data on natural calamities on real time basis.

International Cooperation
1. Bilateral cooperation

MoU signed: Ministry of Agriculture and Farmers’ Welfare signed MoUs for cooperation in agriculture and allied sectors between India and Iran on 17th February 2018 and with Uzbekistan on 1st October 2018. Towards the implementation of the existing MoUs, meetings of Joint Working Groups (JWG) were held with nine countries, namely, Portugal, Madagascar, Netherlands, Poland, Denmark, Philippines, Nepal, Russia, and Australia.

2. India-Nepal Cooperation

The inaugural meeting of the 'India-Nepal New Partnership in Agriculture' was held under the Chairmanship of Hon’ble Minister of Agriculture and Farmers Welfare and Hon’ble Agriculture Minister of Nepal on 19.6.2018 at New Delhi. Among areas of cooperation identified, India is assisting Nepal in developing organic farming and soil health cards with an expenditure of INR 432.397 lakh to be provided by India. Two training programmes on Organic Farming and Certification for 20 Nepalese participants each, is being organized by National Centre for Organic Farming (NCOF), Ghaziabad during 15th November, 2018 to 14th December, 2018 and 1st February, to 2nd March, 2019.

3. USAID

India is collaborating with USAID to provide training for nationals of 20 Asian and African countries viz. Liberia, Kenya, Malawi, Botswana, DR Congo, Ghana, Kenya, Liberia, Malawi, Mozambique, Rwanda, Sudan, Tanzania, Uganda from Africa and Afghanistan, Cambodia, Lao PDR, Mongolia, Myanmar, Vietnam. 24 US-India-Africa Triangular International Training Programmes have been successfully completed during April to November 2018. Under this USAID funded project, 565 Executives from 20 countries have since been provided training.

4. Shanghai Cooperation Organization (SCO)

India officially joined SCO as full Member on 9 June 2017 at a summit in Astana. Accordingly this Ministry participated in the meeting of the SCO Permanent Working Group (PWG) on Agriculture and Agriculture Ministers’ of SCO Member States held in Bishkek, Kyrgyzstan during 18-19 September 2018. A 7-point SCO Action Plan for 2018-2019 on the implementation of the Agreement between the Governments of the SCO Member States on cooperation in agriculture was signed.

5. International Events

70th Anniversary of India-Russia Diplomatic relations: 70th Anniversary of India-Russia diplomatic relations in the field of Agriculture sector was celebrated during 13-14 February, 2018. During the event, an Indo-Russian Agriculture Business Summit, 2018...
was held at New Delhi on 13.2.2018 and the main function was organised at Central State Farm (CSF) in Suratgarh, Rajasthan on 14.02.2018. Mr. Sergey O. Beletskiy, Deputy Minister, Ministry of Agriculture, Russia and Shri Gajendra Singh Shekhawat, Hon’ble Minister of State for Agriculture & Farmers Welfare were attended the event.

6. International Seminars/Workshops/Conferences etc.

During 2017-18 (upto December, 2017), this Department took part in 97 International Conferences/Meetings/Seminars/Trainings etc. dealing with various aspects of agricultural development organized by the FAO and other International Organizations.

7. A proposal of Government of India for celebrating an International Year of Millets by UN was endorsed by FAO Council for 2023. This would be placed in the FAO Conference in June 2019 before communicating to UN General Assembly for final declaration.

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(Release ID: 1557356) Visitor Counter : 813