

GOVERNMENT HAS TAKEN A LARGE NUMBER OF MEASURES TO ENSURE WELFARE OF FARMERS

Relevant for: Indian Economy | Topic: Agriculture Issues and related constraints

Reference is invited to a Newspaper article with the heading 'Agriculture Ministry surrendered one lakh crore of its budget in last 5 years'. The article highlights the aspect of surrender of funds without comments of Ministry and has not highlighted the achievements of the Government. It is hereby reiterated that Government has taken a large number of measures to ensure welfare of farmers. The Budget allocation for Department of Agriculture & Cooperation including DARE has increased manifold, it was Rs.27,662.67 crore in 2013-14 and went upto Rs.1,25,035.79 crore in 2023-24.

There are three major Central Sector Schemes, which form nearly 80% - 85% of the budget of Department of Agriculture & Farmers' Welfare. PM-KISAN was launched in 2019 and more than Rs.2.81 lakh crore has been released so far to more than 11 crore farmers as on 30.11.2023 through Direct Benefit Transfer (DBT). Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched in 2016 and in past 7 years of implementation 49.44 crore farmers applications enrolled and over 14.06 crore (provisional) farmers have received claims of over Rs.1,46,664 crore. Institutional Credit for agriculture sector has been increased from Rs.7.3 lakh crore in 2013-14 to Rs. 21.55 lakh crore in 2022-23. Benefit of concessional institutional credit through KCC has also now been extended to Animal Husbandry and Fisheries farmers.

The above three major Central Sector Schemes are entitlement based with the objective of saturation of all eligible farmers. Also the land holding pattern in NE is community based, and percentage of cultivable land in North Eastern Region (NER) is less, therefore, expenditure on these schemes is less than the stipulated 10% for NER States. The balance funds are made available for the consolidated fund for use of other schemes/Departments.

Department prepares Budget estimates for various Central sector and Centrally sponsored schemes keeping in mind the requirements of funds after consultation with stake holders like State Governments, representative of farmers' and implementing agencies. During the course of the year, after taking in account the actual expenditure, unspent balances with the State Governments, requirement of funds, this is increased/decreased at Revised Estimate stage. The total savings on this account mandatory surrender at RE stage during last 4 years was Rs.64900.12 crore. In addition, about Rs.40,000 crore amount has been surrendered as mentioned earlier, on account of the criterion of mandatory allocation of 10% of the overall allocation to North East region.

Rashtriya Krishi Vikas Yojana (RKVY) & Krishionnati Yojana (KY) (Centrally Sponsored Schemes) are implemented by the State Governments. Utilization under the scheme was less on account of slow pace of expenditure at field level funds by the State Government and new procedure for - just in time - release of funds. The State Governments have to ensure timely release of funds by contributing State Share and incur expenditure for release of subsequent installments. The Ministry of Agriculture & Farmers Welfare has made available adequate funds to the States, who have incurred expenditure, to ensure that all the schemes of the Department are implemented and do not suffer due to lack of funds.

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