

LANDMARK DECISION TAKEN IN THE FIRST CABINET MEETING OF THE NDA GOVERNMENT OFFERS PENSION COVERAGE TO CRORES OF FARMERS

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Cabinet

Landmark decision taken in the first Cabinet meeting of the NDA Government offers pension coverage to crores of farmers

Pension scheme to secure lives of 5 crore farmers in three years

This scheme, in addition to PM-KISAN monetary support will ease economic burden and lead to greater efficiency

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The Union Cabinet, chaired by the Prime Minister Narendra Modi has approved a new Central Sector Scheme, a historic decision that will empower farmers across India. This is a path breaking scheme that will provide pension cover to our industrious farmers who toil day and night to keep our nation fed. It is also for the first time since independence that such a pension coverage has been envisioned for farmers.

It is estimated that 5 crore small and marginal farmers will benefit in the first three years itself. The Central Government would spend Rs. 10774.50 crore for a period of 3 years towards its contribution (matching share) for providing social security cover as envisaged under the scheme.

The salient features of this scheme are:

A voluntary and contributory pension scheme for all Small and Marginal Farmers (SMF) across the country.

Entry age of 18 to 40 years with a provision of minimum fixed pension of Rs.3,000/- on attaining the age of 60 years.

For example, a beneficiary farmer is required to contribute Rs 100/ - per month at median entry age of 29 years. The Central Government shall also contribute to the Pension Fund an equal amount as contributed by the eligible farmer.

After the subscriber's death, while receiving pension, the spouse of the SMF beneficiary shall be entitled to receive 50% of the pension received by the beneficiary as family pension, provided he/she is not already an SMF beneficiary of the Scheme. If, the death of the subscriber

happens during the period of contribution, the spouse shall have the option of continuing the Scheme by paying regular contribution.

Synergy between schemes, prosperity for farmers:

An interesting feature of the Scheme is that the farmers can opt to allow his/her monthly contribution to the Scheme to be made from the benefits drawn from the Pradhan Mantri KisanSAMman Nidhi (PM-KISAN) Scheme directly. Alternatively, a farmer can pay his monthly contribution by registering through Common Service Centres (CSCs) under MeitY.

Fulfilling core promises, empowering the agriculture sector:

For seventy years after Independence, such a coverage for farmers was never thought. It was in the run up to the 2019 Parliamentary elections that PM Narendra Modi first mooted such an idea, which gradually found resonance across the length and breadth of India. Such a plan was mentioned in the BJP manifesto and in the first Cabinet meeting after the formation of a new Government, it has become a reality.

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