

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION NO. 1464**  
TO BE ANSWERED ON THE 12<sup>TH</sup> FEBRUARY, 2019

**LINKING AGRICULTURE WITH MGNREGS**

1464. SHRI J.C. DIVAKAR REDDY:

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

- (a) whether the Government has set up an expert committee to study the situation of linking agriculture with MGNREGS, if so, the details thereof and steps being taken in this regard;
- (b) whether the Government has any proposal to give one time settlement for agricultural loans also on the lines of banks and industry given so far, if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government proposes to give pension to farmers for their social security, if so, the details thereof and if not, the reasons therefor;
- (d) whether the Government proposes to bring out a national policy/ procedure to deal with loans taken by farmers to waive them off in case they suffer losses on account of crop failure or due to natural disasters like floods and drought to free farmers from debt completely and whether the policy will be implemented in all the States in consultation with NITI Aayog; and
- (e) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्रालय में राज्य मंत्री (SHRI PARSHOTTAM RUPALA)

(a): As reported by NITI Aayog, a Sub Group of Chief Ministers was constituted on 17<sup>th</sup> June, 2018 for policy co-ordination between agriculture sector and Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and to suggest an approach that enhances incomes of farmers and reduces agrarian distress, with thrust on pre-sowing and post harvest interventions using Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for creating durable assets. Five critical areas in which MGNREGA could positively help include: to reducing the cost of cultivation; enhancing the production through efficient use of water or other inputs; providing remunerative price to farmers by incentivizing aggregation and market infrastructure; rehabilitation of agricultural land and assets after natural hazards or re-plantation using MGNREGA fund and bringing diversification in agriculture to help occupational diversification and maximizing profit. The Sub group has not finalized its report.

(b): No such proposal for farm loan waiver is under consideration of Government of India at present. However, Government of India and Reserve Bank of India (RBI) have undertaken a number of steps to provide relief and easy & hassle-free loans to debt ridden farmers, which,

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inter alia, include the following:

- Reserve Bank of India has issued master directions on relief measures to be provided by lending institutions in areas affected by natural calamities including drought which, inter alia, include identification of beneficiaries, extending fresh loans and restructuring of existing loans relaxed security and margin norms, moratorium, etc. The benchmark for restructuring of loans has been reduced from 50% to 33% crop loss, which is in line with the National Disaster Management Framework. Further, in terms of RBI's Master circular on Asset Classification, banks are free to restructure and extend the repayment period of loans/give stress dispensation scheme to any category of borrowers which have come under stress as per their commercial judgment and Board approved loan policy within the broad prudential guidelines prescribed by RBI. In addition, as per the Priority Sector Lending Guidelines issued by RBI, loans to distressed farmers to repay non-institutional lenders, are eligible under priority sector.
- The Government has introduced the Kisan Credit Card (KCC) Scheme, which enables farmers to purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw cash to satisfy their agricultural and consumption needs. The KCC Scheme has since been simplified. It has the provision of ATM enabled debit card with, inter alia, facilities of one-time documentation and built-in cost escalation in the limit, etc.
- RBI vide its notification dated 13th November, 2014 have instructed the Banks to finance the Joint Liability Groups (JLGs) to bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit.
- RBI has issued Priority Sector Lending (PSL) guidelines, which mandate all Domestic Scheduled Commercial Banks to earmark 18% of their Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure (OBE), whichever is higher, as on the corresponding date of the previous year, for lending to Agriculture for Small and Marginal Farmers.

In addition to the above, as per PSL guidelines, loans to distressed farmers to repay non-institutional lenders are eligible under priority sector. Besides loans to stressed persons (other than farmers) not exceeding Rs.1,00,000/- per borrower to repay their debt to non-institutional lender are also eligible for the purpose of priority sector lending by banks.

(c): There are various welfare Schemes/ programmes being implemented by the Government which, among others, cover people above 60 year of age including farmers. These include Atal Pension Yojana(APY), Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (PMJAY), Indira Gandhi Old Age Pension Scheme (IGNOAPS), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Integrated Programme of Older Persons (IPOP), Rashtriya Vayoshri Yojana (RVY), Rashtriya Swasthya Bima Yojana (RSBY) and Pradhan Mantri Vaya Vandana Yojana (PMVVY).

In addition, the Government with a view to augment the income of Small and Marginal Farmers, in the Union Budget 2019 has announced "Pradhan Mantri Kisan Samman Nidhi (PM-KiSaN)" a new Central Sector Scheme, which will be 100% funded by the Government of India.

Under the Scheme, financial benefit of Rs. 6000/- per year will be provided to Small and Marginal Farmer families, subject to certain exclusions, having cultivable land holding upto 2 hectare. This financial benefit will be provided in 3 equal installments of Rs. 2000/- each in a period of every four months in a financial year. The benefit shall be admissible under the scheme w.e.f. 01.12.2018. The definition of a Small and Marginal landholder farmer family is comprising husband, wife and minor children who collectively own cultivable land upto 2 hectare as per land records of the concerned State/UT. Thus, a farmer, irrespective of age can avail this benefit of income support provided that his/her family is of small and marginal category and eligible as per the scheme guidelines.

(d) & (e): No Madam. However, there are instructions to lending institutions for restricting the loans in case of natural calamities, in line with the National Disaster Management Framework.

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