



**STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY  
AND FOOD PROCESSING**

**(2022-2023)**

**SEVENTEENTH LOK SABHA**

**MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
(DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE)**

**'DEMANDS FOR GRANTS (2022-23)'**

**{Action Taken by the Government on the Observations/  
Recommendations contained in the Thirty-Seventh Report (Seventeenth Lok  
Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food  
Processing (2021-22)}**

**FORTY-SIXTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**DECEMBER 2022/ AGRAHAYANA, 1944 (Saka)**

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Presented to Lok Sabha on

20.12.2022

Laid on the Table of Rajya Sabha on

20.12.2022



**LOK SABHA SECRETARIAT  
NEW DELHI**

**DECEMBER 2022/ AGRAHAYANA, 1944 (Saka)**

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING\* (2021-22)**

**Shri P.C. Gaddigoudar- Chairperson**

**MEMBERS**

**LOK SABHA**

2. Shri Afzal Ansari
3. Shri Horen Sing Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Kanakmal Katara
7. Shri Abu Taher Khan
8. Shri Mohan Mandavi
9. Shri Kinjarapu Ram Mohan Naidu
10. Shri Devji Mansingram Patel
11. Smt. Shardaben Anilbhai Patel
12. Shri Bheemrao Baswanthrao Patil
13. Shri Shriniwas Dadasaheb Patil
14. Shri Vinayak Bhaurao Raut
15. Shri Pocha Brahmananda Reddy
16. Shri Rajiv Pratap Rudy
17. Shri Mohammad Sadique
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Mulayam Singh Yadav
21. Shri Ram Kripal Yadav

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Kailash Soni
24. Shri Ram Nath Thakur
25. Shri Vaiko
26. Shri Harnath Singh Yadav
27. VACANT@
28. VACANT@
29. VACANT@
30. VACANT
31. VACANT

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\* Standing Committee on Agriculture renamed as Standing Committee on Agriculture, Animal Husbandry and Food Processing vide Para No. 3293, Bulletin Part-II, dated 23.11.2021.

@ Shri Partap Singh Bajwa, MP Rajya Sabha ceased to be a Member of the Committee w.e.f. 21.03.2022 due to resignation from the Membership of Rajya Sabha w.e.f. 21.03.2022; Sardar Sukhdev Singh Dhindsa ceased to be a Member of the Committee w.e.f. 09.04.2022 due to his retirement from Rajya Sabha w.e.f. 09.04.2022 and Shri Surendra Singh Nagar, ceased to be a Member of the Committee w.e.f. 04.07.2022 due to his retirement from Rajya Sabha w.e.f. 04.07.2022

## **SECRETARIAT**

1. Shri Shiv Kumar - Additional Secretary
2. Shri Sundar Prasad Das - Director
3. Shri N. Amarathiagan - Under Secretary

**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING (2022-23)**

**Shri P.C. Gaddigoudar- Chairperson**

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8. Shri Mohan Mandavi
9. Shri Devji Mansingram Patel
10. Smt. Sharda Anilkumar Patel
11. Shri Bheemrao Baswanthrao Patil
12. Shri Shrinivas Dadasaheb Patil
13. Shri Vinayak Bhaurao Raut
14. Shri Pocha Brahmananda Reddy
15. Shri Rajiv Pratap Rudy
16. Mohammad Sadique
17. Shri Devendra Singh *alias* Bhole Singh
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Ram Kripal Yadav
21. VACANT\*

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Masthan Rao Beeda
24. Dr. Anil Sukhdeorao Bonde
25. Shri S. Kalyanasundaram
26. Shri Surendra Singh Nagar
27. Shri Kailash Soni
28. Shri Randeep Singh Surjewala
29. Shri Ram Nath Thakur
30. Shri Vaiko
31. Shri Harnath Singh Yadav

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\* Vacant w.e.f. 10.10.2022 due to demise of Shri Mulayam Singh Yadav on 10.10.2022 vide Bulletin- Part II, Para No. 5316 dated 14.10.2022.

## **SECRETARIAT**

1. Shri Shiv Kumar - Additional Secretary
2. Shri Naval K. Kishore - Director
3. Shri Uttam Chand Bharadwaj - Additional Director
4. Shri N. Amarathiagan - Under Secretary



## INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23), having been authorized by the Committee to submit the Report on their behalf, present this Forty-Sixth Report on Action-taken by the Government on the Observations/Recommendations contained in the Thirty-Seventh Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare).

2. The Thirty-Seventh Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) was presented to Lok Sabha and laid on the Table of Rajya Sabha on 24 March, 2022. The Action Taken Notes on the Report were received on 27 June, 2022.

3. The Report was considered and adopted by the Committee at their Sitting held on 15 November, 2022.

4. An Analysis of the action taken by the Government on the Observations/Recommendations contained in the Thirty-Seventh Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix**.

**NEW DELHI;**  
**06 December, 2022**  
**15 Agrahayana, 1944 (Saka)**

**P.C. GADDIGOUDAR**  
***Chairperson,***  
***Standing Committee on Agriculture,***  
***Animal Husbandry and Food Processing***

## CHAPTER-I

### REPORT

This Report of the Standing Committee on Agriculture deals with the action taken by the Government on the Observations/Recommendations contained in the Thirty Seventh Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing(2021-2022) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 24.03.2022.

1.2 The Ministry of Agriculture and Farmers Welfare (Department of Agriculture and Farmers Welfare) has furnished Action Taken Replies – in respect of all the 20 Observations/Recommendations contained in the Report. These replies have been categorized as follows:

- |   |                            |
|---|----------------------------|
| (i) Observations/Recommendations that have been accepted by the Government :<br>Recommendation Nos. 1, 6, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19 & 20.           | Chapter-II<br>(Total- 13)  |
| (ii) Observations/Recommendations in respect of which the Committee do not desire to pursue in view of the Government's reply:<br>Recommendation Nos. 3, 5 & 8. | Chapter-III<br>(Total- 03) |
| (iii) Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee:<br>Recommendation Nos. 7 & 14.        | Chapter-IV<br>(Total- 02)  |
| (iv) Observations/Recommendations in respect of which Final Replies of the Government are still awaited<br>Recommendation Nos. 2 & 4.                           | Chapter-VI<br>(Total- 02)  |

**1.3 The Committee desire that utmost importance would be given to implementation of the Observations/Recommendations accepted by the Government. In cases, where it is not possible for the Government to implement the Recommendations in letter and spirit, the matter be reported to the Committee with the reasons for non-implementation. The Committee desire that further Action-taken**

**Notes on the Observations/Recommendations contained in Chapter - I and Chapter V of this Report be furnished at an early date.**

1.4 The Committee will now deal with the action taken by the Government on some of the Recommendations in the succeeding paragraphs.

**Analysis of Demands for Grants - Demand No.1**  
**(Recommendation No. 1)**

1.5 The Committee had observed/recommended as under:-

"The Committee note that the Department of Agriculture and Farmers Welfare has been allocated Rs.1,24,000 Crore for 2022-23 at BE stage which is 4.82% more than RE 2021-22. The actual utilization of funds for 2019-20, 2020-21 and 2021-22 (as on 17.02.2022), *w.r.t.* RE stands at 92.74% 93.03% and 80.37%. Utilization of 80.37% funds by 17.02.2022 suggests that the Department should strive hard to fully utilize the funds in remaining nearly one and half months of 2021-22. The Committee feel that the Budget Estimate is a better source to compare with the Actual Expenditure rather than the Revised Estimate. Moreover, the Department might not been able to stick to its Monthly Expenditure Plan during 2021-22 so far. The Committee recommend that the Department should strive hard to ensure optimum utilization not less than cent percent of the allocated funds by sticking to the Monthly Expenditure Plan. They feel any rush of expenditure at the fag end of the year should be avoided at all costs".

1.6 The Department in its Action-taken Reply has stated as under:-

"The expenditure for 2021-22 was Rs. 114785.35 Crore which is 97.03% of RE (2021-22). The slow pace of expenditure during the initial months of the Financial Year was due to introduction of modified procedure for release of funds under the CSS Schemes with effect from 1<sup>st</sup> July, 2021. Further, in line with the recommendation of Committee, this Department is pursuing the matter with the various stake holders for expediting the release proposals and to resolve other related issues to ensure optimum utilization of funds and also to avoid rush of expenditure at the fag end of the year."

**1.7 The Department of Agriculture and Farmers Welfare in its action taken reply has *inter-alia* stated that in line with the recommendation of the Committee, the matter is being pursued with various stake holders for expediting the release proposals and to resolve other related issues to ensure optimum utilization of funds and also to avoid rush of expenditure at the fag end of the year. The Committee while appreciating the response of the Department, would like to emphasize that the Department should chalk out and implement the Monthly Expenditure Plan and to ensure cent percent utilization of the allocated funds.**

**(Recommendation No.2)**

1.8 The Committee had observed/recommended as under:-

"The Committee note that while replying to a query about utilization of funds during 2021-22, the Department has submitted that taking into account the proposals in the pipeline, the Department is likely to utilise the entire Budget during the current FY 2021-22, except the quota allocated under mandatory provision for NE States where the utilisation is restricted on account of low cultivable area, non-release of matching share by those States and community landholding. This, in turn, clearly indicates that the Department has admitted that it will not be able to fully utilize the funds allocated to it even before the close of year 2021-22. The Committee are of the considered view that since the Department is aware of the reasons/factors, which hamper cent percent utilization of funds available, it should suitably modify its Schemes including the funding pattern as well as method of implementation, so that effective and optimal utilization of funds earmarked for Agriculture Sector can be ensured. The Committee would like to be apprised of the steps taken in this regard".

1.9 The Department in its Action-taken Reply has stated as under:-

"Pursuant to recommendation of the Committee, Department has taken necessary steps to maximize utilization of funds allocated during 2021-22, a result of which 97.03% of RE (2020-21) has been utilized. Further, Department is identifying the factors and rules in Operational Guidelines which hinder or restrict the utilization of funds and incorporating the provisions in EFC of the scheme. A Task Force comprising of Senior Officers from Department of Agriculture & Farmers' Welfare,

Ministry of DONER and NE States is also formed to steer the growth of Agriculture Sector in NE region".

**1.10 The Committee had recommended inter-alia that since the Department was aware of the reasons/factors, which hamper cent percent utilization of funds, it should suitably modify their Schemes including the funding pattern as well as method of implementation so that effective and optimal utilization of funds earmarked for Agriculture Sector could be ensured. In this regard, it has been replied that the Department of Agriculture and Farmers Welfare is identifying the factors and rules in Operational Guidelines which hinder or restrict the utilization of funds and are incorporating the provisions in EFC of the Scheme. A Task Force comprising of Senior Officers from the Department of Agriculture & Farmers' Welfare, Ministry of Development of North East Region and North Eastern States is also formed to steer the growth of Agriculture Sector in North East region. The Committee would like to know the specific action taken by the Department in this regard.**

**Funds Surrendered by the Department  
(Recommendation No.4)**

1.11 The Committee had observed/ recommended as under:-

"The Committee note from the reply of the Department that funds have been surrendered amounting to Rs. 34517.70 Crore, Rs. 23824.54 Crore and Rs. 9586.86 during 2019-20, 2020-21 and 2021-22 respectively. That means Rs. 67929.10 Crore have been surrendered by the Department in these years without spending. The Committee are of the opinion that the surrender of funds that is not at all a healthy practice; which the Committee observe was mainly on account of less requirement under NES (North Eastern States), SCSP (Schedule Caste Sub-Plan) and Tribal Area Sub-Plan (TASP) Components. The Committee express displeasure over surrender of funds. The Committee, therefore, recommend the Department to identify reasons avoidable surrender of funds and take corrective measures to ensure that the funds are utilized fully, properly and efficiently".

1.12 The Department in its Action-taken Reply has stated as under:-

"The surrender of FY 2021-22 is mainly on account of teething issues related to compliance of guidelines promulgated by Ministry of Finance with effects from 1<sup>st</sup> July 2021 for all Centrally Sponsored scheme (CSS) and the less requirement in NER can be mainly attributed to (i) land holding being an essential criteria for release of funds under PM-KISAN and other schemes, (ii) majority of the land holding in NER are community lands, and (iii) total cultivable land (area) in NER is 2.74% of Gross Cultivable Area(CGA).

Further, this Department is pursuing the matter with the State Governments and other concerned organizations for expediting the proposals and to resolve other related issues promptly and closely monitoring pace of expenditure and flow of funds under the various schemes and identifying the factors and rules in Operational Guidelines which hinder or restrict the utilization of funds and incorporating the provisions in EFC of the schemes".

**1.13 The Committee had expressed displeasure over surrender of funds by the Department during the previous three financial years, and had recommended them to identify reasons for surrender of Rs.34,517.70 Crore in 2019-20, Rs.23824.54 Crore in 2020-21 and Rs.9586.10 Crore in 2021-22 and take corrective measures to ensure that the funds are utilized fully, properly and efficiently. On perusal of the action taken reply of the Government, the Committee find that the Department of Agriculture and Farmers Welfare has not furnished reasons for surrender of funds during the years 2019-20 and 2020-21. According to the Department, surrender of funds in 2021-22 is mainly on account of teething issues related to compliance of guidelines promulgated by the Ministry of Finance with effect from 01.07.2021 for all Centrally Sponsored Schemes(CSS) and less requirement in North Eastern Region(NER). The Department has also stated that they are closely monitoring pace of expenditure and flow of funds under various schemes and identifying the factors and rules in operational guidelines, which hinder or restrict the utilization of funds. The Committee, therefore, desire that the Department to pursue the matter with all seriousness and intimate reasons for surrender of funds during 2019-20 and 2020-**

**21 alongwith the factors that restricted utilization of funds as well as corrective measures taken to ensure that funds are utilized fully, properly and efficiently.**

**Status of Utilization Certificates(UCs)**  
**(Recommendation No.6)**

1.14 The Committee had observed/recommended as under:-

"The Committee note that the amount of Utilization Certificate(UCs) pending with States and Union territories have kept on increasing over the years between 2016-17 and 2020-21. Committee are surprised to find the pending Utilization Certificates in 2016-17 was only Rs. 188 Crore that has multiplied more than seventeen times in five years period. That proves the monitoring mechanism of the Department has failed measurable in receiving the mandatory Utilization Certificates. As informed by the Department, upto 2018-19, UCs amounting to Rs. 917.36 Crore were pending which got increased to Rs. 1765.57 Crore during 2019-20. Further, during 2020-21, UCs worth Rs. 3237.11 Crore were pending with various States and Union territories. The Committee feel that this increasing pendency of UCs is surely hampering implementation of the Programmes/Schemes run by the Department as pending UCs deprive Implementing Agencies in getting further funds. It also reflects that the system of monitoring of implementation of Schemes by the Department is not performing its task diligently and in an effective manner. The Committee, therefore, recommend the Department to seriously look into the matter of increasing pendency of Utilization Certificates and take up the same with States / Union territories / Implementing Agencies in the era of advanced Information Technology tools with utmost seriousness and actively pursue them to utilize the allocated funds within stipulated time and furnish the UCs in time so that the farmers living in these States and Union territories get maximum benefits from the Schemes/Programmes".

1.15 The Department in its Action-taken Reply has stated as under:-

"To resolve the issue of pendency of UCs and for better monitoring of availability of funds released to the States under the Centrally sponsored Schemes (CSS), Government of India has recently modified the procedure for release of funds under the CSS with effect from 1st July 2021. Precise guidelines have been indicated in

the procedure for, *inter-alia*, tackling the problem of pending UCs. This Department is ensuring strict compliance with the guidelines by State Governments and monitoring the utilization of funds released earlier, in addition to steps being taken earlier in this regard.

Further, Ministry of finance has promulgated guidelines for release of funds under Central Sector Schemes, on similar lines, as of Centrally Sponsored Scheme, with effect from 1st April, 2022".

**1.16 The procedure for release of funds under the Centrally Sponsored Schemes (CSS) as per the reply received has been modified with effect from 01.07.2021 and precise guidelines have been indicated for tackling the problems of pending UCs. The Department has promulgated guidelines on similar lines for release of funds under Central Sector Schemes with effect from 01.07.2022. At this backdrop, the Committee would like to know about the progress made by the Department in the matter, in terms of clearance of number of pending Utilization Certificates and quantum of funds during the current financial year so far.**

**Doubling of Farmers' Income**  
**(Recommendation No.7)**

1.17 The Committee had observed/recommended as under:-

"It is a fact that many Departments, Organizations and Ministries of Government of India are responsible for Doubling of Income of each and every farmers of this Country within a fixed time frame. But there is no denial that major task for Doubling of income of farmers lies with the Department of Agriculture and Farmers Welfare. It appears from the reply furnish by the Department that the Department is far from Doubling the Income of Farmers rather in some States, between 2015-16 and 2018-19 i.e. in four years, like Jharkhand it has come down from Rs. 7068 to Rs. 4895, for Madhya Pradesh it has come down from Rs. 9740 to Rs. 8339, for Nagaland it has come down from Rs. 11428 to Rs. 9877, for Odisha it has come down from Rs. 5274 to Rs. 5112. This has happened when monthly agricultural household income of the Country has been increased from Rs. 8059 to Rs. 10218, that in the opinion of the Committee is a praise worthy and timely intervention by the Government to double the Farmers' Income. The Committee also note that as per Situation



Assessment Survey carried out by the National Statistical Organization for all India, question remains to be answered in this regard is why in some States monthly household income is declining between 2015-16 and 2018-19, when the lot of farmers perhaps remains the same or increasing elsewhere and whether the Department of Agriculture and Farmers Welfare remains as a mute spectator. The Committee, therefore, recommend that the Department should formulate a Special Team to figure out the reasons for falling farmers' income in those states and take some course corrective measures so that the doubling of farmers income is not lost sight of".

1.18 The Department in its Action-taken Reply has stated as under:-

"The Government has adopted several developmental programmes, schemes, reforms and policies that focus on higher incomes for the farmers. All these policies & programmes are being supported by higher budgetary allocations and non-budgetary financial resources such as creating Corpus Funds like Micro Irrigation Fund etc. There have been several reforms to unleash the potential, e.g. Formation and Promotion of 10,000 FPOs along with necessary financial support under Atma Nirbhar Package (Agriculture). Under Atma Nirbhar Bharat special attention is being paid for creation of infrastructure for which Agri Infrastructure Fund (AIF) has been created with a corpus of Rs. 1,00,000 crore. Other special initiatives include supplementary income transfers under PM-KISAN; Pradhan Mantri Fasal Bima Yojna (PMFBY); Pradhan Mantri Krishi Sinchai Yojana (PMKSY); Increase in Minimum Support Price (MSPs) for all Kharif & Rabi Crops ensuring a minimum of 50 percent of profit margin on the cost of production, Bee-Keeping; Rashtriya Gokul Mission; Blue revolution; Interest Subvention Scheme; Kisan Credit Card (KCC) that now offers production loan to even dairy & fishery farmers besides agricultural crops etc. For environmental sustainability, National Mission for Sustainable Agriculture (NMSA) has been launched in the year 2014-15 which aims to evolve and implement strategies to make Indian agriculture more resilient to the changing climate. The adoption of Drone technologies in agriculture has a potential to revolutionize the Indian agriculture. In order to make Drone technology affordable to the farmers and other stakeholders of this sector, financial assistance @100%

cost of drone together with the contingent expenditure is extended to ICAR/ SAU/ State Governments / State Government Institutions under Sub-Mission on Agricultural Mechanization (SMAM) for its demonstration on the farmer's fields.

Recommendations of the Committee for formulating a Special Team to figure out the reasons for falling farmers' income in some states and taking course corrective measures for doubling farmers income, have been noted for consideration".

**1.19 The Committee in their 37<sup>th</sup> Report (17<sup>th</sup> LS), had inter-alia recommended to the Department of Agriculture and Farmers Welfare to formulate a Special Team to figure out the reasons for falling farmers' income during the period between 2015-16 and 2018-19 in some States like Jharkhand, Madhya Pradesh, Nagaland and Odisha, and take course-corrective measures so that the doubling of farmers income is not lost sight of. In the Action-taken Reply, the Department has mentioned that several developmental programmes, schemes, reforms and policies focus on higher incomes for the farmers. It has also been stated that the Recommendations of the Committee for formulating a Special Team and taking course-corrective measures for doubling farmers income, have been noted for consideration. The Committee find that no concrete step has been taken by the Department in the matter except merely stating that the recommendation of the Committee has been noted. The Committee, therefore, reiterate their earlier recommendation. The Committee be apprised of the action taken in the matter.**

**Modified Interest Subvention Scheme**  
**(Recommendation No.14)**

1.20 The Committee had observed/recommended as under:-

"The Committee note the Kisan Credit Card Scheme was introduced perhaps during 2006-07 for issue of Kisan Credit Cards to the farmers. The Committee would like to know as to how many farmers are there in the Country by the end of 2021-22, State and Union territory-wise. The Committee would also like to know out of those available farmers, to how many farmers Kisan Credit Card has been issued, State

and Union territory wise and how much more years the Department may take to cover all the farmers in this Country".

1.21 The Department in its Action-taken Reply has stated as under:-

"To bring the maximum number of farmers under KCC so that they can get loan at a cheaper rate through the Modified Interest Subvention Scheme, the Government has been running a campaign for saturation of KCC to farmers since, February, 2020 to cover all left over farmers with special focus on PM-KISAN beneficiaries.

Under the ATMA NIRBHAR BHARAT campaign, the Government of India committed to providing 2.5 crore new KCCs to farmers. This was to ensure availability of concessional loans to farmers in times of crisis and to bolster the flow of about 2 lakh crore in rural economy. As a result, as on 29-04-2022, 307.46 lakh KCC have been issued with sanctioned credit limit of Rs.3,42,009 crore.

Number of eligible PM-KISAN beneficiaries upto 31<sup>st</sup> March, 2022 State and Union territory-wise is available at *annexure-I*. State/UT-wise total number of operative KCC accounts is available at *annexure-II*.

**1.22 The Committee in their recommendation had sought to know about the total number of farmers in the Country by the end of 2021-22, State and Union Territory-wise, and the number of farmers to whom Kisan Credit Card was issued, and how much more years the Department would take to provide KCC to all the farmers in this Country. In the Action taken Reply, the Department has furnished the State and Union territory-wise details regarding number of eligible PM-Kisan beneficiaries upto 31<sup>st</sup> March, 2022 and total number of operative KCC accounts. It has been mentioned that the Government has been running a campaign for saturation of KCC to farmers since, February, 2020 to cover all left over farmers with special focus on PM-Kisan beneficiaries to bring the maximum number of farmers under KCC. Under the 'Atma Nirbhar Bharat' campaign, the Government of India is committed to provide 2.5 crore new KCCs to farmers to ensure availability of concessional loans to farmers in times of crisis and to bolster the flow of about 2 lakh crore in rural economy. As a result, as on 29-04-2022, 307.46 lakh KCC have been issued with sanctioned credit limit of Rs.3,42,009 Crore. However, the Action-taken Reply of the Department of Agriculture and Farmers Welfare does not give details regarding**

**State and Union territory-wise number of farmers in the Country by the end of 2021-22 and the likely time period in which the Department would cover all the farmers under the Kisan Credit Card Scheme. The Committee, therefore, reiterate their earlier recommendation and desire that the information sought by them be furnished at the earliest.**

**Agriculture Infrastructure Fund (AIF)  
(Recommendation No.18)**

1.23 The Committee had observed/recommended as under:-

"The Committee note that a budgetary provision of Rs.500 Crore has been made for 2022-23 for the implementation of the Agriculture Infrastructure Fund(AIF) Scheme against the RE of Rs.200 Crore during 2021-22. Under the Scheme, Rs.1 lakh Crore has been earmarked for the implementation of the Scheme over 10 years. According to the Department of Agriculture and Farmers Welfare, the AIF portal has so far received 15,500 applications seeking subsidized loan worth Rs 13,400 Crore under the Agriculture Infrastructure Fund(AIF) Scheme. Out of this, a total of 8900+ projects have been sanctioned under the Scheme worth loan of Rs.6431 Crore, which includes in principle sanction by the NABARD. During 2021-22, (upto31.01.2022) Rs.12,54,12,329/- has reportedly been released to lending institutions on account of Interest Subvention & Credit Guarantee. Taking into account the present pace of implementation of the Scheme, the Committee recommend that the Department of Agriculture and Farmers Welfare shall chalk-out a detailed year-wise action plan for the implementation of the Scheme during the remaining years of the targeted 10-year period. The year wise targets in terms of quantum of funds requirement for different components of the Scheme and the quantum of funds required for loan sanction/release for infrastructure development may be set for utilization of funds earmarked for the Scheme. The Scheme should be vigorously monitored at the State, Union Territory, District and Village levels. The Committee would like to be apprised of the action taken in the matter".

1.24 The Department in its Action Taken Reply has stated as under:-

"A detailed year-wise action plan for the implementation of the Scheme during the remaining years of the targeted 10-year period.

The action plan for implementation of scheme is broadly categorized into 3 major exercises *i.e* Identification, Awareness, Operations.

**1. Identification.**

- Identification of potential investors like APMCs, Farmer groups, National and State agencies, private business houses working in Agri sector.
- Identification of Infrastructure requirement of the country.
- Identification state wise infrastructure gaps and requirements via gap assessment studies.

**2. Awareness Creation.**

Awareness upto grass root level will be created using proper media planning, Workshops, conclaves, physical seminars with various stakeholders of the scheme, sensitizations & coordination with the extension departments and other institutes at state and district level.

**3. Operations and Monitoring.**

Efficient operation and management of the scheme through online portal, scheduled meetings of NLMC, SLMC and DLMCs, creation and activation of state level PMU, handholding support to the applicants through preparation of model DPRs and Seamless online claim settlement process.

The year-wise targets in terms of quantum of funds requirement for different components of the Scheme and the quantum of funds required for loan sanction / release for infrastructure development may be set for utilization of funds earmarked for the Scheme.

	<b>Elements</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
A.	Disbursement	298	3,643	18264	25265	25265	27265	1,00,000
B.	Cumulative disbursement	298	3,941	22,205	47,470	72,735	1,00,000	
C.	Repayment	-	-	60	788	4,441	9,494	14,783
D.	Cumulative repayment	-	-	60	848	5,289	14,783	
E.	Outstanding	298	3,941	22,145	46,622	67,446	85,217	
F.	Balance outstanding below 2crs	149	1,971	11,073	23,311	33,723	42,609	

	Elements	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Total
G.	Interest Subvention (3% x F.)	4	59	332	699	1,012	1,278	3,385.05
H.	Credit Guarantee (1.33% X E.)	2	26	147	310	449	567	1,500.71
I.	Balance outstanding above 2crs	149	1,971	11,073	23,311	33,723	42,609	
J.	Interest Subvention (3% x 33.33% x I.)	1	20	111	233	337	426	1,128
K.	Total scheme cost (G. + H. + J.)	8	105	590	1,242	1,797	2,271	6,014
M.	Admin cost (2% of scheme cost, max 200 cr)	17	7	51	40	20	20	155
N.	<b>Total cost (K. + M.)</b>	<b>25</b>	<b>112</b>	<b>641</b>	<b>1,282</b>	<b>1,817</b>	<b>2,291</b>	<b>6,169</b>

*Assumptions for the calculations:*

1. All Disbursements on 1st day of the year
2. All Repayments on 1st days of the year
3. Interest Subvention for any loan amount upto Rs. 2 cr; 50% loan above Rs. 2 cr.
4. Interest Subvention for 3% on total outstanding investment for each year upto complete repayment
5. Interest Subvention for 33.33% of loan amount for loans above Rs. 2 cr (avg. loan amount of Rs. 6 cr)
6. Credit Guarantee weighted average 1.33% on loan upto Rs. 2 cr (30% Women, 10% Men Northeast, 10% Men ROI Micro Enterprises, 20% Loans upto Rs 5 lakhs, 20% loans between Rs 5-50 lakhs, 10% Loans between Rs 50 lakhs to 2 cr), Cost similar to CGTMSE
7. Admin Cost @2% of total scheme cost, capped at Rs. 200 cr.

**Monitoring procedure of the scheme at State, UT, district and Village level.**

To ensure real-time monitoring and effective feed-back about the implementation of the scheme National Level, State Level and District level Monitoring committees are set up. Composition and function of these committees is given below.

**(i) National level Monitoring Committee (NLMC)**

**Composition:-**

Following are the Members and Chairman of the NLMC:-

- a. Secretary (DA&FW) (Chairman)
- b. MD SFAC
- c. MD,NCDC
- d. Special Secretary/Additional Secretary and FA (DA&FW)
- e. Additional Secretary DFS
- f. Additional Secretary (DA&FW,Gol)
- g. Chairman, NABARD or his representative
- h. Principal Secretary-State Government (s)- Four States by rotation
- i. State Nodal Officers of four States (by rotation)
- j. Joint Secretary (DA&FW) and CEO of Farmers Welfare Programme Implementation Society- Member Secretary

**Functions:-**

1. National level Monitoring Committee (NLMC) guides and steers the implementation of the scheme. Guidelines for implementation of the scheme are approved by NLMC.
2. National level Implementation Committee (NLIC) also examines and recommends the guidelines for implementation of the scheme. It also ensure and review the implementation of the scheme as per approved guidelines by the National level Monitoring Committee (NLMC)

**(ii) State level Monitoring Committee**

**Composition:-**

Following are Members and Chairman of the SLMC:-

- a. Chief Secretary –Chairman

- b. Agriculture Production Commissioner/Principal Secretary Agriculture
- c. Principal Secretary (Cooperation)
- d. Registrar of Cooperative Societies (RCS)
- e. Chief General Manager (CGM), NABARD
- f. Regional Director, NCDC
- g. Officers nominated by State (not more than three).
- h. SLBC Convener.
- i. State Nodal Officer- Member Secretary.

**Functions:-**

1. State level Monitoring Committee (SLMC) implement the NIMC guidelines at the state level and provide feedback to NIMC.
2. It also guide and steer the implementation of the scheme in the state.
3. It also set the targets as per OOMF format and review the progress regularly

**(iii) District Level Monitoring Committee**

**Composition:-**

Following are the Members and Chairman of the DLMC:-

- a. District Collector – Chairman
- b. Chief Executive Officer of District Panchayat/CDO- Vice Chairman
- c. District Officer of Agriculture
- d. District Registrar Officers nominated Cooperative Societies
- e. Officers nominated by State (not more than three)
- f. Lead District Manager of DLBC
- g. District Manager NABARD- Member Secretary

**Functions:-**

1. District level Monitoring Committee (DLMC) The DLMC is the first line of implementation and monitoring system within the overall framework.
2. DLMC set targets in consultation with SLMC as per OOMF format and monitor the progress closely with the support of PMU.
3. DLMC also maintains the Dashboard in collaboration with PMU.



4. It is responsible for the smooth implementation of the scheme and resolve any issues at the district level. In the process of sorting out implementation issues the Committee would be supported by the district administration wherever required".

**1.25 The Committee are happy to note the reply of the Department that the recommendation of the Committee has been accepted and a detailed action plan has been drawn for the implementation of the Agriculture Infrastructure Fund(AIF) Scheme over the remaining period of the targeted 10 year duration of the Scheme. The Committee also note that the budgetary allocation for the Scheme for 2022-23 is Rs.500 Crore whereas the required amount is envisaged to be Rs.641 Crore. They, therefore, desire that the Department of Agriculture and Farmers Welfare shall take action to get the required allocations for the implementation of the Scheme in time so that implementation of the Scheme is not hampered. The Committee would like to be apprised of the action in the matter.**

## CHAPTER - II

### **OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Analysis of Demands for Grants - Demand No.1** **(Recommendation No. 1)**

The Committee note that the Department of Agriculture and Farmers Welfare has been allocated Rs.1,24,000 Crore for 2022-23 at BE stage which is 4.82% more than RE 2021-22. The actual utilization of funds for 2019-20, 2020-21 and 2021-22 (as on 17.02.2022), w.r.t. RE stands at 92.74% 93.03% and 80.37%. Utilization of 80.37% funds by 17.02.2022 suggests that the Department should strive hard to fully utilize the funds in remaining nearly one and half months of 2021-22. The Committee feel that the Budget Estimate is a better source to compare with the Actual Expenditure rather than the Revised Estimate. Moreover, the Department might not been able to stick to its Monthly Expenditure Plan during 2021-22 so far. The Committee recommend that the Department should strive hard to ensure optimum utilization not less than cent percent of the allocated funds by sticking to the Monthly Expenditure Plan. They feel any rush of expenditure at the fag end of the year should be avoided at all costs.

#### **Reply of the Government**

The expenditure for 2021-22 was Rs. 114785.35 Crore which is 97.03% of RE (2021-22). The slow pace of expenditure during the initial months of the Financial Year was due to introduction of modified procedure for release of funds under the CSS Schemes with effect from 1<sup>st</sup> July, 2021. Further, in line with the recommendation of Committee, this Department is pursuing the matter with the various stake holders for expediting the release proposals and to resolve other related issues to ensure optimum utilization of funds and also to avoid rush of expenditure at the fag end of the year.

#### **Comments of the Committee**

Please refer to Para 1.7 of Chapter-I of this Report for Comments of the Committee.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

### **Status of Utilization Certificates(UCs)** **(Recommendation No.6)**

The Committee note that the amount of Utilization Certificate (UCs) pending with States and Union territories have kept on increasing over the years between 2016-17 and 2020-21. Committee are surprised to find the pending Utilization Certificates in 2016-17 was only Rs. 188 Crore that has multiplied more than seventeen times in five years period. That proves the monitoring mechanism of the Department has failed measurable in receiving the mandatory Utilization Certificates. As informed by the Department, upto 2018-19, UCs amounting to Rs. 917.36 Crore were pending which got increased to Rs. 1765.57 Crore during 2019-20. Further, during 2020-21, UCs worth Rs. 3237.11 Crore were pending with various States and Union territories. The Committee feel that this increasing pendency of UCs is surely hampering implementation of the Programmes/Schemes run by the Department as pending UCs deprive Implementing Agencies in getting further funds. It also reflects that the system of monitoring of implementation of Schemes by the Department is not performing its task diligently and in an effective manner. The Committee, therefore, recommend the Department to seriously look into the matter of increasing pendency of Utilization Certificates and take up the same with States / Union territories / Implementing Agencies in the era of advanced Information Technology tools with utmost seriousness and actively pursue them to utilize the allocated funds within stipulated time and furnish the UCs in time so that the farmers living in these States and Union territories get maximum benefits from the Schemes/Programmes.

### **Reply of the Government**

To resolve the issue of pendency of UCs and for better monitoring of availability of funds released to the States under the Centrally sponsored Schemes (CSS), Government of India has recently modified the procedure for release of funds under the CSS with effect from 1st July 2021. Precise guidelines have been indicated in the procedure for, inter-alia, tackling the problem of pending UCs. This Department is ensuring strict compliance with the guidelines by State Governments and monitoring the utilization of funds released earlier, in addition to steps being taken earlier in this regard.

Further, Ministry of finance has promulgated guidelines for release of funds under Central Sector Schemes, on similar lines, as of Centrally Sponsored Scheme, with effect from 1st April, 2022.

### **Comments of the Committee**

Please refer to Para 1.16 of Chapter-I of this Report for Comments of the Committee.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

**Organic Farming in Tribal Areas of the Country**  
**(Recommendation No.9)**

The Committee find the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (No. 42 of 2005) is being implemented since September 2005 throughout the Country for the enhancement of livelihood security of the households in the rural areas under which atleast one hundred days of Guaranteed Wage Employment is provided to every household in every financial year. The Committee also find there are plethora of the Central Sector Schemes and Centrally Sponsored Schemes being implemented by the Department in different States and Union territories. The Committee in this regard desire that the MGNREG Act, 2005 and its implementation need to be linked with all Central Sector Schemes and all Centrally Sponsored Schemes being implemented by the Department so that the income of farmers doubles within the given time frame.

**Reply of the Government**

Some schemes of the Department has provision for convergence with the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) & Schemes operated by Panchayati Raj Institutions. The recommendations of the committee to link MANREGA with all Central Sector Schemes and Centrally Sponsored Schemes being implemented by the Department is noted for consideration.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

**Pradhan Mantri Fasal Bima Yojna (PMFBY)**  
**(Recommendation No.10)**

A Budgetary Allocation of Rs.15500 Crore has been made for the implementation of the Pradhan Mantri Fasal Bima Yojna (PMFBY) for 2022- 23 against the RE of Rs.15989 Crore for 2021-22. As regards the lower allocation for the Scheme in 2022-23, as compared to BE 2021-22 of Rs.16000 Crore, the Department of Agriculture and Farmers Welfare has stated that the Scheme is demand driven and that based on the coverage and demand situation under the Scheme, additional funds, if required, may be sought at Revised Estimates 2022-23 Stage. The Committee recommend that the Department of Agriculture and Farmers Welfare should review the implementation of the Scheme at regular intervals to assess the demand situation and funds requirement for the Scheme.

**Reply of the Government**

This Department is regularly monitoring/reviews the implementation of PMFBY including requirement of funds through weekly video conference of stakeholders, one to one meetings with insurance companies/States etc. Additional funds can be allocated as per requirement.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

**Recommendation No.11**

The Committee desire that the Department shall look into the reasons for non-implementation of the Scheme by certain States and take necessary measures and attempt to address them in the best possible manner and also to ensure that the Scheme is made more attractive and beneficial to the farmers, especially in those State, which are prone to natural calamities so that farmers in all parts of the country have the opportunity to get benefits of the PMFBY Scheme.

**Reply of the Government**

The Pradhan Mantri Fasal Bima Yojna (PMFBY) is available for all States/UTs and is voluntary for them. States/UTs are free to subscribe under the scheme keeping in view their risk perception and financial considerations etc. However, Government is taking up the matter with these States at various level from time to time and by writing to the non implementing States. A Working group to examine the alternative risk management mechanisms and challenges faced in implementation of the scheme and suggest remedial measures has also been constituted by the Department.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

**Recommendation No.12**

The Committee also note that the reply of the Department that Aadhar seeding of beneficiary accounts and integration of land records, under the PMFBY, has been made in Maharashtra, Odisha and Rajasthan have taken steps to avoid and address the problem of duplicity and leakages in the PMFBY Scheme. The Committee feel, the Department should take all out measures so that success stories are replicated in all the remaining States and Union territories during 2022-23.

**Reply of the Government**

The Department is taking up the matter regarding integration of land records of States with National Crop Insurance Portal (NCIP) with all the PMFBY implementing States. But due to several challenges like availability of records in local language, non-digitization of records in some states is hindering the way. However, efforts are being made to link the land records of Madhya Pradesh and Tamil Nadu with the NCIP.

**Ministry of Agriculture & Farmers Welfare**  
**(Department of Agricultural and Farmers Welfare)**  
**F.No.7(5)/2021, dated 27 June, 2022**

### **Modified Interest Subvention Scheme** **(Recommendation No.13)**

The Committee note that a budgetary provision of Rs.19500.00 Crore has been made in BE 2022-23 for the implementation of the Modified Interest Subvention Scheme that was initiated during 2006-07 to provide concessional crop loans to farmers through the Kisan Credit Cards (KCCs). The Committee were informed that this is a Central Sector Scheme, cent percent funded by the Government of India. The RE 2021-22 for the Scheme Rs.18142.30 Crore. The Credit for Agriculture Sector, which comprise Term Loan and Short Term Credit for farmers is fixed by the Department of Financial Services, Ministry of Finance in consultation with NABARD. As per reply received, the Department of Financial Services is in the process of fixing the target of Ground Level Credit including Short Term Credit for farmers for 2022-23. The Committee also take note of the reply that utilization of funds under the Scheme for SC/ST Category is very less due to non-availability of disaggregated audited claims from the implementing agencies. Similarly the utilization of funds under the Scheme for North Eastern Region is not at all satisfactory as the total cultivable area in North Eastern Region is perhaps about 2.74% of the total Gross Cropped Area (GCA) of the country and the community ownership of land is prevalent in that Regions. According to the reply Department of Agriculture and Farmers Welfare, has taken up a Kisan Credit Card (KCC) saturation drive all over the country in collaboration with Department of Financial Services and other stakeholders, between February 2020 onwards to bring maximum number of farmers under KCC and the credit needs of farmers would increase in 2022- 23. However, the Department of Agriculture and Farmers Welfare has also stated that it does not have the details of State and Union territory-wise financial performance in respect of the Modified Interest Subvention Scheme. Since the Scheme is a demand driven Scheme for all eligible farmers of the Country, Committee fail to understand the difficulties being faced by the Department in assessing the financial performance of the Scheme in those very few States from which the demand has come. Moreover, the Department has furnished the reason that 'no State-wise Budgetary Allocations' are made for the Scheme i.e. singularly surprising and funds under the Scheme are released to Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) for settling the audited claims against the components of the Scheme received from Public Sector Banks, Private Sector Scheduled Commercial Banks, Regional Rural Banks (RRBs) and Cooperative Banks. Against this backdrop, the Committee recommend that the Department of Agriculture and Farmers Welfare shall device a suitable mechanism to enable it to have an updated and concurrent information on State and Union territory-wise annual and seasonal credit needs in the Agriculture Sector, State and Union territory-wise beneficiaries of KCC particularly of Small and Marginal Farmers in the Country.

### **Reply of the Government**

The recommendation of the Committee regarding having a suitable mechanism to enable it to have an updated and concurrent information on State and Union territory-wise annual and seasonal credit needs in the Agriculture Sector, State and Union territory-wise beneficiaries of KCC particularly of Small and Marginal Farmers in the Country has been noted. In this regard it is informed that under Modified Interest Subvention Scheme, funds

are released to its implementing agencies viz. Reserve Bank of India (RBI) and National Bank for Agriculture and Rural development (NABARD) for settling the claims under Interest Subvention Scheme for further disbursement to banks/RRBs/Cooperatives. There is no state-wise allocation/release under the ISS. However, to ensure faster reimbursement of claims under Interest Subvention Scheme (ISS), to have a robust data and to ensure proper monitoring of the scheme, a portal is being developed.

**Ministry of Agriculture & Farmers Welfare  
(Department of Agricultural and Farmers Welfare)  
F.No.7(5)/2021, dated 27 June, 2022**

**Recommendation No.15**

The Committee feel that an effective implementation of the Scheme has not taken place so far. They, therefore, recommend for taking necessary steps for effective implementation of the Scheme in 2022-23 by ensuring optimal utilization of the BE and if required, additional funds be sought for the Scheme at RE stage so that all the farmers are covered within a fixed time frame. Action taken in this regard may kindly be intimated to the Committee.

**Reply of the Government**

The Committee has recommended for taking necessary steps for effective implementation of the Scheme in 2022-23 by ensuring optimal utilization of the BE and if required, additional funds be sought for the Scheme at RE stage. In this regard it is informed that during the financial year 2021-22, a budgetary allocation of Rs 19,468.31 crore was made under MISS. Bolstering its efforts to spend more funds under the scheme the department sought additional funds at RE stage. Doing that the Department was able to release a sum of Rs.21,476.93 crore to the implementing agencies of MISS(Modified Interest Subvention Scheme) which was a nearly 10% increase over BE.

**Ministry of Agriculture & Farmers Welfare  
(Department of Agricultural and Farmers Welfare)  
F.No.7(5)/2021, dated 27 June, 2022**

**Rashtriya Krishi Vikas Yojana (RKVY)  
(Recommendation No.16)**

The Committee have been informed that the Department of Agriculture and Farmers Welfare, in consultation with the erstwhile Planning Commission had launched Rashtriya Krishi Vikas Yojana (RKVY) as a State Plan Scheme of Additional Central Assistance (ACA) during 2007-08 to incentivise States to enhance investment in Agriculture and Allied Sectors to achieve and sustain the desired growth rate in the said Sectors. The RKVY Scheme was converted to CSS (State Plan) from 2014-15. The Committee further note that RKVY has been revised as Rashtriya Krishi Vikas Yojana – Remuneration Approaches for Agriculture and Allied Sector Rejuvenation (RKVY – RAFTAAR) with more focus on infrastructure development and Value Addition Linked Production Projects for

three years between 2017-18 and 2019-20 (i.e., co-terminus with the period of Fourteenth Finance Commission). The Committee have also been informed that no separate Budgetary Allocation has been provided for the RKVY for 2022-23. During 2022-23 Rs. 10433 Crore has been provided for the RKVY Cafeteria Scheme which includes Organic Farming, Soil Health & Fertility, Rainfed Area Development, Agriculture Mechanization and including Promotion of Agricultural Mechanization and Management of Crop Residue (CRM), Village Haats & Gramin Agricultural Marketing Scheme (GrAMS), Crop Diversification Programme and Per Drop More Crop, proposed to be merged with RKVY as per the recommendation of the EFC. The Committee appreciate the merger of various Schemes such as Mission on Organic Farming, Soil Health Card, Rainfed Area Development, Farm mechanization, More Crop per Drop, etc. into a Single Umbrella Scheme i.e. RKVY and giving freedom to States and Union territories for utilizing funds under these Components as per their own needs and priorities. The Committee, however, recommend the Department to strictly monitor the implementation of the RKVY so that the intended benefits of these components do not get diluted in each State and Union territory, and also in the name of the financial freedom accorded to States and Union territories in Utilization of Funds under the RKVY.

### **Reply of the Government**

RKVY scheme provide flexibility to states to choose the component they want to implement as per their requirements. Implementation of RKVY (Detailed Project Report (DRP) based scheme) is monitored through RDMIS portal of RKVY which is web-based monitoring mechanism. Besides, this States are also required to geo-tag infrastructure projects implemented by them in Bhuvan portal of NRSC for monitoring.

(Note: The Annual Action Plan based component ie; merged component of RKVY cafeteria scheme are implemented and monitored by the concerned Division which was implementing these components till 2021-22.)

**Ministry of Agriculture & Farmers Welfare  
(Department of Agricultural and Farmers Welfare)  
F.No.7(5)/2021, dated 27 June, 2022**

### **Pradhan Mantri Annadata Aay Sanrakshan Abhiyaan (PM-AASHA) (Recommendation No.17)**

The Committee note that the Pradhan Mantri Annadata Aay Sanrakshan Abhiyaan is being implemented by the Department with three components viz., Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement and Stockist Scheme (PPSS) with the aim to ensure remunerative prices for pulses, oilseeds and copra throughout the country. The Committee also note the reply of the Department that during 2021-22, the Department had proposed Rs. 500 crore for the scheme against which the BE was approved for Rs. 400 crore. They are surprised to find that the revised estimate for 2021-22 has been drastically reduced to Rs. 1 crore against which the actual expenditure as on 28.01.2022 was reportedly nil. The Committee are surprised to find the demand for Rs. 500 crore during 2021-22 has no takers that proves poor planning by the



Department for implementation of this important scheme. The Committee also note the reply of the Department that mentions the reason for the complete non-satisfactory implementation is non-receipt of proposals from the States and Union territories. The Committee cannot accept that the scheme is demand driven. Moreover there was complete non-satisfactory implementation of the scheme during 2021-22. The Committee therefore, desire the Department to find out the reasons of this non-satisfactory implementation of the scheme in all States and Union territories. They also desire that the scheme should be revamped during 2022-23, be implemented in all States and Union territories. Steps taken by the Department in this regard may be conveyed to the Committee.

### **Reply of the Government**

In order to ensure delivery of notified Minimum Support Price (MSP) to the farmers, with the approval of Cabinet in October, 2018, an umbrella scheme of “Pradhan Mantri Annadata Aay SanraksHan Abhiyan” (PM-AASHA) was launched by modifications of the erstwhile Price Support Scheme (PSS) and rolling out of new schemes of Price Deficiency Payment Scheme (PDPS) and pilot of Private Procurement and Stockist Scheme (PPSS). Under PM-AASHA, States / UTs are offered to choose either PSS or PDPS in a given procurement season with respect to particular oilseeds crop for the entire State. The pulses and copra are procured under PSS. Only one scheme i.e. PSS or PDPS are made operational in one State with respect to one commodity. Further, States have the option to roll out Private Procurement and Stockist Scheme (PPSS) on pilot basis in district / selected APMC(s) of district involving the participation of private stockist for oilseeds.

In Price Support Scheme (PSS), physical procurement of pulses, oilseeds and Copra is done by Central Nodal Agencies with proactive role of State governments through NAFED, Food Cooperation of India (FCI) etc. The procurement expenditure and losses due to procurement will be borne by Central Government as per norms.

Further, Government has provided Government guarantee amounting Rs. 40,500/- crore to lenders banks for extending cash credit facilities by NAFED & FCI for undertaking PSS operation.

Under Price Deficiency Payment Scheme, this scheme (PDPS) envisages direct payment of the difference between the MSP and the selling/modal price 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.

States will roll out the Private Procurement and Stockist Scheme (PPSS) on a pilot basis in selected districts and Agricultural Produce Market Committee (APMC) of the district. The district will cover one or more crop of oilseeds for which MSP is notified. As part of the PPSS, the selected private agency will procure commodity at Minimum Support Price (MSP) in prescribed markets during the prescribed period from registered farmers.

However, the allocation of yearly budget provision of schemes under PM-AASHA like PSS/MIS, PDPS & Pilot PPSS are done in separate and different budget heads. Under PSS/MIS, the reimbursement of losses incurred is released to the Central Nodal Agencies & State Procuring Agencies. Similarly, the reimbursement of loss under PDPS & PPSS is released to the State Government. Hence, separate budget head is required to release the funds to Central Nodal Agencies and States through Public Finance Management System (PFMS).

**(Rs. In Crore)**

<b>Name of Schemes</b>	<b>BE-2021-22</b>	<b>RE-2021-22</b>	<b>Released 2021-22</b>	<b>BE-2022-23</b>
<b>PSS/MIS</b>	1500.50	4000.00	2288.31	1500.00
<b>PDPS</b>	250.00	50.00	-	50.00
<b>PPSS</b>	150.00	50.00	-	50.00

Since under PM-AASHA, there is an option for implementation of PSS or PDPS in respect of oilseeds, most of the states have opted for implementation of PSS for oilseeds. Hence, no proposals are received from states for implementation of PDPS. However, efforts are being made to revamp the schemes of PDPS & PPSS by convening the meetings with the State Govts. and other stakeholders.

**Ministry of Agriculture & Farmers Welfare  
(Department of Agricultural and Farmers Welfare)  
F.No.7(5)/2021, dated 27 June, 2022**

**Agriculture Infrastructure Fund (AIF)  
(Recommendation No.18)**

The Committee note that a budgetary provision of Rs.500 Crore has been made for 2022-23 for the implementation of the Agriculture Infrastructure Fund (AIF) Scheme against the RE of Rs.200 Crore during 2021-22. Under the Scheme, Rs.1 lakh Crore has been earmarked for the implementation of the Scheme over 10 years. According to the Department of Agriculture and Farmers Welfare, the AIF portal has so far received 15,500 applications seeking subsidized loan worth Rs 13,400 Crore under the Agriculture Infrastructure Fund (AIF) Scheme. Out of this, a total of 8900+ projects have been sanctioned under the Scheme worth loan of Rs.6431 Crore, which includes in principle sanction by the NABARD. During 2021-22, (upto31.01.2022) Rs.12,54,12,329/- has reportedly been released to lending institutions on account of Interest Subvention & Credit Guarantee. Taking into account the present pace of implementation of the Scheme, the Committee recommend that the Department of Agriculture and Farmers Welfare shall chalk-out a detailed year-wise action plan for the implementation of the Scheme during the remaining years of the targeted 10-year period. The year wise targets in terms of quantum of funds requirement for different components of the Scheme and the quantum of funds required for loan sanction / release for infrastructure development may be set for utilization of funds earmarked for the Scheme. The Scheme should be vigorously monitored at the

State, Union territory, District and Village levels. The Committee would like to be apprised of the action taken in the matter.

### **Reply of the Government**

A detailed year-wise action plan for the implementation of the Scheme during the remaining years of the targeted 10-year period.

The action plan for implementation of scheme is broadly categorized into 3 major exercises i.e Identification, Awareness, Operations.

#### **1. Identification.**

- Identification of potential investors like APMCs, Farmer groups, National and State agencies, private business houses working in Agri sector.
- Identification of Infrastructure requirement of the country.
- Identification state wise infrastructure gaps and requirements via gap assessment studies.

#### **2. Awareness Creation.**

Awareness upto grass root level will be created using proper media planning, Workshops, conclaves, physical seminars with various stakeholders of the scheme, sensitizations & coordination with the extension departments and other institutes at state and district level.

#### **3. Operations and Monitoring.**

Efficient operation and management of the scheme through online portal, scheduled meetings of NLMC, SLMC and DLMCs, creation and activation of state level PMU, handholding support to the applicants through preparation of model DPRs and Seamless online claim settlement process.

**The year-wise targets in terms of quantum of funds requirement for different components of the Scheme and the quantum of funds required for loan sanction / release for infrastructure development may be set for utilization of funds earmarked for the Scheme.**

	<b>Elements</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
A.	Disbursement	298	3,643	18264	25265	25265	27265	1,00,000
B.	Cumulative disbursement	298	3,941	22,205	47,470	72,735	1,00,000	
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D.	Cumulative repayment	-	-	60	848	5,289	14,783	
E.	Outstanding	298	3,941	22,145	46,622	67,446	85,217	
F.	Balance outstanding below 2crs	149	1,971	11,073	23,311	33,723	42,609	
G.	Interest Subvention (3% x F.)	4	59	332	699	1,012	1,278	3,385.05
H.	Credit Guarantee							

	<b>Elements</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>
	(1.33% X E.)	2	26	147	310	449	567	1,500.71
I.	Balance outstanding above 2crs	149	1,971	11,073	23,311	33,723	42,609	
J.	Interest Subvention (3% x 33.33% x I.)	1	20	111	233	337	426	1,128
K.	Total scheme cost (G. + H. + J.)	8	105	590	1,242	1,797	2,271	6,014
M.	Admin cost (2% of scheme cost, max 200 cr)	17	7	51	40	20	20	155
<b>N.</b>	<b>Total cost (K. + M.)</b>	<b>25</b>	<b>112</b>	<b>641</b>	<b>1,282</b>	<b>1,817</b>	<b>2,291</b>	<b>6,169</b>

**Assumptions for the calculations:**

1. All Disbursements on 1st day of the year
2. All Repayments on 1st days of the year
3. Interest Subvention for any loan amount upto Rs. 2 cr; 50% loan above Rs. 2 cr.
4. Interest Subvention for 3% on total outstanding investment for each year upto complete repayment
5. Interest Subvention for 33.33% of loan amount for loans above Rs. 2 cr (avg. loan amount of Rs. 6 cr)
6. Credit Guarantee weighted average 1.33% on loan upto Rs. 2 cr (30% Women, 10% Men Northeast, 10% Men ROI Micro Enterprises, 20% Loans upto Rs 5 lakhs, 20% loans between Rs 5-50 lakhs, 10% Loans between Rs 50 lakhs to 2 cr), Cost similar to CGTMSE
7. Admin Cost @2% of total scheme cost, capped at Rs. 200 cr.

**Monitoring procedure of the scheme at State, UT, district and Village level.**

To ensure real-time monitoring and effective feed-back about the implementation of the scheme National Level, State Level and District level Monitoring committees are set up. Composition and function of these committees is given below.

**(iv) National level Monitoring Committee (NLMC)**

**Composition:-**

Following are the Members and Chairman of the NLMC:-

- a. Secretary (DA&FW) (Chairman)
- b. MD SFAC
- c. MD,NCDC
- d. Special Secretary/Additional Secretary and FA (DA&FW)
- e. Additional Secretary DFS
- f. Additional Secretary (DA&FW,Gol)
- g. Chairman, NABARD or his representative
- h. Principal Secretary-State Government (s)- Four States by rotation

- i. State Nodal Officers of four States (by rotation)
- j. Joint Secretary (DA&FW) and CEO of Farmers Welfare Programme Implementation Society- Member Secretary

**Functions:-**

1. National level Monitoring Committee (NLMC) guides and steers the implementation of the scheme. Guidelines for implementation of the scheme are approved by NLMC.
2. National level Implementation Committee (NLIC) also examine and recommend the guidelines for implementation of the scheme. It also ensure and review the implementation of the scheme as per approved guidelines by the National level Monitoring Committee (NLMC)

**(v) State level Monitoring Committee**

**Composition:-**

Following are Members and Chairman of the SLMC:-

- a. Chief Secretary –Chairman
- b. Agriculture Production Commissioner/Principal Secretary Agriculture
- c. Principal Secretary (Cooperation)
- d. Registrar of Cooperative Societies (RCS)
- e. Chief General Manager (CGM), NABARD
- f. Regional Director, NCDC
- g. Officers nominated by State (not more than three).
- h. SLBC Convener.
- i. State Nodal Officer- Member Secretary.

**Functions:-**

1. State level Monitoring Committee (SLMC) implement the NIMC guidelines at the state level and provide feedback to NIMC.
2. It also guide and steer the implementation of the scheme in the state.
3. It also set the targets as per OOMF format and review the progress regularly

**(vi) District Level Monitoring Committee**

**Composition:-**

Following are the Members and Chairman of the DLMC:-

- a. District Collector – Chairman
- b. Chief Executive Officer of District Panchayat/CDO- Vice Chairman
- c. District Officer of Agriculture
- d. District Registrar Officers nominated Cooperative Societies
- e. Officers nominated by State (not more than three)
- f. Lead District Manager of DLBC

g. District Manager NABARD- Member Secretary

**Functions:-**

1. District level Monitoring Committee (DLMC) The DLMC is the first line of implementation and monitoring system within the overall framework.
2. DLMC set targets in consultation with SLMC as per OOMF format and monitor the progress closely with the support of PMU.
3. DLMC also maintains the Dashboard in collaboration with PMU.
4. It is responsible for the smooth implementation of the scheme and resolve any issues at the district level. In the process of sorting out implementation issues the Committee would be supported by the district administration wherever required.

**Comments of the Committee**

Please refer to Para 1.25 of Chapter-I of this Report for Comments of the Committee.

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**Mission for Integrated Development of Horticulture (MIDH)  
(Recommendation No.19)**

From the reply furnish to the Committee it is found that MIDH aims for holistic growth of Horticulture Sector covering fruits, vegetables, Root and Tuber Crops, Mushrooms, Spices, Flowers, Aromatic Plants, Coconuts, Cashew and Cocoa. All States and Union territories are covered under MIDH. The BE 2022-23 for MIDH is Rs. 1900 Crore against the non-satisfactory expenditure of Rs. 845 Crore during 2020-21 and Rs. 630 Crore during 2021-22. The Committee feel the expenditure under MIDH is not satisfactory and the Department should take all measures to utilize Rs. 1900 Crore as per the Monthly Expenditure Plan prepared during 2022-23 for a cent percent utilization of funds. Steps taken by the Department in this regard and its outcome may please be intimated to the Committee.

**Reply of the Government**

Allocation and release of funds under MIDH during last three years and current FY is as under:

(Rs. in crore)

Sl. No.	Year	BE	RE	Actual Utilization
1.	2020-21	2160.25	1511.92	1372.43
2.	2021-22	2249.72	1509.76	954.00
3.	2022-23	1900.00	-	-

**(A) Reasons for slow expenditure during 2020-21**

1. The allocation under MIDH had been reduced from Rs.2160.25 crore at BE stage to Rs.1511.92 crore at RE stage. The total expenditure under the scheme during 2020-21 is Rs.1372.43 crore.
2. Savings was due to less demand from the State Governments owing to adverse impact of COVID-19 pandemic and imposition of lockdown in the States.
3. Due to COVID effects, State Finance Departments were in a financial crisis and tremendous pressure to release Central Share and corresponding State Share to the Implementing Agencies in time as FY 2020-21 was a challenging year in the revenue point of view.

**(B) Reasons for slow expenditure during 2021-22,**

1. The allocation under MIDH had been reduced from Rs. 2249.72 Cr at BE stage to Rs. 1509.76 Cr at RE stage. The total expenditure under the Scheme during 2021-22 is Rs. 954.00 Cr.
2. Ministry of Finance, Government of India introduced new release procedure for the Centrally Sponsored Scheme during 2021-22. The pace of release/utilization of funds, during 2021-22, under the Centrally Sponsored Component being implemented through States/UTs, was very slow owing to sluggish implementation of Guidelines of new procedure for release of funds adopted as per the directions of Ministry of Finance.
3. The States have taken considerable time in fulfilling the stipulations/requirements laid down under the new procedure which has interrupted the utilization of funds during 2021-22.
4. Efforts are being taken to ensure even pace of utilization of the allocated funds during 2022-23.

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**Integrated Scheme for Agricultural Marketing  
(Recommendation No.20)**

The Committee are unhappy to find the reply of the Department that till date only 1000 mandis in 18 different states and 3 Union territories have only been integrated with e-NAM platform. Further, 1.72 Crore of farmers and only 2.18 lakh traders have only been registered on the e-NAM portal. The Committee have their own doubts as to when all States and Union territories in the Country will be integrated with the e-NAM platform. They, therefore, recommend that an attempt should be made to integrate the e-NAM platform with all the States and Union territories.

## **Reply of the Government**

Till 31.05.2022:- 1000 mandis of 18 states and 3 Union Territories have been integrated with e-NAM platform. So far, 1.73 crore farmers and 2.24 lakhs traders have registered on e-NAM platform. Further, 2140 FPOs also on boarded on e-NAM platform. Total trade of worth Rs 2.01 Lakh Cr has been traded on the e-NAM platform.

In the 18th Project Appraisal Committee (PAC) meeting of e-NAM scheme held on 05.05.2022, another 260 mandis have been approved for integration with e-NAM portal, process for integration of the same have been started by the Department. Four new States viz. Nagaland, Tripura, Goa and Bihar have been included to take them onboard to integrate their mandis with e-NAM portal. Under a well planned expansion approach starting with 21 Mandis in 8 States/UT we have successfully achieved the milestone of 1000 Mandis in 21 States/UTs which will further expand to 25 States/UT in next few months totaling to 1260 Mandis.

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## CHAPTER III

### OBSERVATION/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S ACTION TAKEN REPLY

#### Analysis of Demands For Grants - Demand No.1 (Recommendation No.3)

The Committee note that as admitted by the Department in its replies, the proportion of Budgetary Allocations made in favour of the Department out of the total budget of the Government of India during the years 2019-20, 2020-21, 2021-22, 2022-23 stood at 4.68%, 4.41%, 3.53% and 3.14 % respectively. The same has increased in absolute terms reportedly but its percentage is declining continuously. The Committee have been informed that the Agriculture plays a vital role in India's economy as 54.6 of the total workforce is engaged in Agriculture and Allied Sector Activities as per the Census 2011. Given the importance of the Agriculture Sector, Government of India has taken several praiseworthy measures for its development in a sustainable manner. Steps have also been taken to improve the income of farmers. Keeping in mind the vital role played by Agriculture in overall Economy of the Country, the Committee recommend the Department to take up the issue of decline in percentage budgetary allocation in favor of the Department out of Central Pool with the Ministry of Finance and ensure that this declining trend is reversed or at least gets discontinued from the next Budget onwards.

#### Reply of the Government

Government of India (GoI) has taken several progressive policy decisions to augment production and income of farmers. The budget outlay of Department has increased from Rs. 22,652 crore in 2014-15 to Rs. 1,24,000 crore in 2022-23 which is an overall 447.40 % increase with a Compounded Annual Growth Rate (CAGR) of 24%. Through the increased allocation, Government intends to achieve the objective of higher productivity and income of farmers. In addition, other Departments of GoI have also allocated budget for scheme benefits to the farmers.

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#### Supplementary Demands for Grants of the Department (Recommendation No.5)

The Committee have been informed that the Department, on the one hand, has made provisions for the Supplementary Demands of Rs. 12552.34 Crore during 2021-22 and on the other, were made for surrender of funds amounting to Rs. 9586.86 Crore. The Committee are constrained to note that raising supplementary demands and surrender of funds reflects poorly on the planning done by the Department before 2021-22. The Committee, therefore, desire the Department to undertake the planning of utilization of

allocated funds seriously and ensure expenditure of the funds in the planned manner as decided. The Committee are of the considered opinion that sticking to implementing Monthly Expenditure Plan/Quarterly Expenditure Plan (MEP/QEP), as furnished by Department to the Ministry of Finance in the Detailed Demands for Grants documents year after year, will go a long way in solving the problem of surrender of funds as well as raising Supplementary Demands.

### **Reply of the Government**

During 2021-22 token Supplementary Demands for Grants for Rs. 0.05 crore was obtained, with the approval of Parliament, for augmenting additional amount of Rs. 12552.34 crore under various schemes. The balance amount of Rs. 12552.29 crore were proposed to be met through savings available with the Grants. Further, actual surrender during 2021-22 was to the tune of Rs. 5152.60 crore. Of this, mandatory surrender {viz. Budget Estimates minus Revised Estimates} was Rs. 4723.33 crore. Uneven pace of expenditure was due to introduction of modified procedure for release of funds under CSS schemes with effect from 1/7/2021. Further, under the PM-KISAN scheme, three installments are released every year to the farmers, the installments falls generally in April, August & December also impact the MEP/QEP.

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### **Organic Farming in Tribal Areas of the Country** **(Recommendation No.8)**

There are perhaps five different Schemes of the Government of India i.e. promoting Organic Farming across the Country viz. 1. Paramparagat Krishi Vikas Yojana (PKVY), 2. Mission Organic Value Chain Development for North Eastern Region (MOVCDNER), 3. Capital Investment Subsidy Scheme (CISS), under the Soil Health Management Scheme, 4. National Mission on Oil Seeds and Oil Palm (NMOOP) and 5. National Food Security System (NFSS). The Committee find that many Countries of the World are way ahead in practicing Organic Farming in this regard. They feel all these Schemes having similar objectives for popularizing Organic Farming need to be brought under one umbrella so that the target, achievement and complete Organic Farming in all Tribal Areas of the Country are achieved in the foreseeable future.

### **Reply of the Government**

Government of India has been promoting Organic farming in cluster mode across the country through dedicated scheme namely Paramparagat Krishi Vikas Yojana (PKVY) since 2015-16. The scheme stress on end to end support to organic farmers. More than 11.51 lakh ha have been brought under organic farming benefitting 15.47 lakh farmers under the scheme. PKVY scheme has already been brought under the Umbrella scheme Rashtriya Krishi Vikash Yojana (RKVY) since 2022.

Mission Organic Value Chain Development for North Eastern Region (MOVCDNER) is being implemented since 2015 for empowering farmers to develop the value chain of production, processing, certification and marketing of organic products through FPO formation exclusively for North Eastern States. The objective of the scheme is to promote certified organic production to develop domestic & export market. The objective of MOVCDNER scheme is commercial and certified production exclusively for NE Region so as to develop domestic and organic market for organic product through FPO formation by providing support for infrastructure, value addition and marketing. Hence, comingling of this scheme with PKVY and bringing it under one umbrella scheme is not possible.

Soil Health Management scheme is being implemented under National Project on Management of Soil Health & Fertility. National Project on Soil Health and Fertility as a continuing scheme since 2014-15 with the objective to promote soil test based Integrated Nutrient Management (INM) through conjunctive use of chemical fertilizers, organic fertilizers and bio-fertilizers. Promotion of INM system to reduce consumption of chemical fertilizers and increase use of organic sources of plant nutrients, which in turn improve the soil fertility as well nutrient use efficiency. The SHM scheme has also been merged with the umbrella scheme Rashtriya Krishi Vikash Yojana (RKVY) since 2022.

Whereas, National Food Security Mission aims at increasing the production of rice, wheat, pulses, coarse cum nutri cereals and commercial crops. National Mission on Oilseeds and Oilpalm Scheme aims to augment the availability of vegetable oils and to reduce the import of edible oils by increasing the production and productivity of oilseeds and area expansion of Oil Palm & Tree Borne Oilseeds. The scheme comprises of three sub-missions namely, NFSM-Oilseeds, NFSM-Oil Palm and NFSM-Tree Borne Oilseeds."

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## **CHAPTER IV**

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE**

#### **Doubling of Farmers' Income (Recommendation No.7)**

It is a fact that many Departments, Organizations and Ministries of Government of India are responsible for Doubling of Income of each and every farmers of this Country within a fixed time frame. But there is no denial that major task for Doubling of income of farmers lies with the Department of Agriculture and Farmers Welfare. It appears from the reply furnish by the Department that the Department is far from Doubling the Income of Farmers rather in some States, between 2015-16 and 2018-19 i.e. in four years, like Jharkhand it has come down from Rs. 7068 to Rs. 4895, for Madhya Pradesh it has come down from Rs. 9740 to Rs. 8339, for Nagaland it has come down from Rs. 11428 to Rs. 9877, for Odisha it has come down from Rs. 5274 to Rs. 5112. This has happened when monthly agricultural household income of the Country has been increased from Rs. 8059 to Rs. 10218, that in the opinion of the Committee is a praise worthy and timely intervention by the Government to double the Farmers' Income. The Committee also note that as per Situation Assessment Survey carried out by the National Statistical Organization for all India, question remains to be answered in this regard is why in some States monthly household income is declining between 2015-16 and 2018-19, when the lot of farmers perhaps remains the same or increasing elsewhere and whether the Department of Agriculture and Farmers Welfare remains as a mute spectator. The Committee, therefore, recommend that the Department should formulate a Special Team to figure out the reasons for falling farmers' income in those states and take some course corrective measures so that the doubling of farmers income is not lost sight of.

#### **Reply of the Government**

The Government has adopted several developmental programmes, schemes, reforms and policies that focus on higher incomes for the farmers. All these policies & programmes are being supported by higher budgetary allocations and non-budgetary financial resources such as creating Corpus Funds like Micro Irrigation Fund etc. There have been several reforms to unleash the potential, e.g. Formation and Promotion of 10,000 FPOs along with necessary financial support under Atma Nirbhar Package (Agriculture). Under Atma Nirbhar Bharat special attention is being paid for creation of infrastructure for which Agri Infrastructure Fund (AIF) has been created with a corpus of Rs. 1,00,000 crore. Other special initiatives include supplementary income transfers under PM-KISAN; Pradhan Mantri Fasal Bima Yojna (PMFBY); Pradhan Mantri Krishi Sinchai Yojana (PMKSY); Increase in Minimum Support Price (MSPs) for all Kharif & Rabi Crops ensuring a minimum of 50 percent of profit margin on the cost of production, Bee-Keeping; Rashtriya Gokul Mission; Blue revolution; Interest Subvention Scheme; Kisan Credit Card (KCC) that now offers production loan to even dairy & fishery farmers besides agricultural crops etc. For environmental sustainability, National Mission for Sustainable Agriculture (NMSA) has been launched in the year 2014-15 which aims to evolve and implement strategies to make Indian agriculture more resilient to the changing climate.

The adoption of Drone technologies in agriculture has a potential to revolutionize the Indian agriculture. In order to make Drone technology affordable to the farmers and other stakeholders of this sector, financial assistance @100% cost of drone together with the contingent expenditure is extended to ICAR/ SAU/ State Governments / State Government Institutions under Sub-Mission on Agricultural Mechanization (SMAM) for its demonstration on the farmer's fields.

Recommendations of the Committee for formulating a Special Team to figure out the reasons for falling farmers' income in some states and taking course corrective measures for doubling farmers income, have been noted for consideration."

### **Comments of the Committee**

Please refer to Para 1.19 of Chapter-I of this Report for Comments of the Committee.

**Ministry of Agriculture & Farmers Welfare  
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### **Modified Interest Subvention Scheme (Recommendation No.14)**

The Committee note the Kisan Credit Card Scheme was introduced perhaps during 2006-07 for issue of Kisan Credit Cards to the farmers. The Committee would like to know as to how many farmers are there in the Country by the end of 2021-22, State and Union territory-wise. The Committee would also like to know out of those available farmers, to how many farmers Kisan Credit Card has been issued, State and Union territory wise and how much more years the Department may take to cover all the farmers in this Country.

### **Reply of the Government**

To bring the maximum number of farmers under KCC so that they can get loan at a cheaper rate through the Modified Interest Subvention Scheme, the Government has been running a campaign for saturation of KCC to farmers since, February, 2020 to cover all left over farmers with special focus on PM KISAN beneficiaries.

Under the ATMA NIRBHAR BHARAT campaign, the Government of India committed to providing 2.5 crore new KCCs to farmers. This was to ensure availability of concessional loans to farmers in times of crisis and to bolster the flow of about 2 lakh crore in rural economy. As a result, as on 29-04-2022, 307.46 lakh KCC have been issued with sanctioned credit limit of Rs.3,42,009 crore.

Number of eligible PM-KISAN beneficiaries upto 31<sup>st</sup> March, 2022 State and Union territory-wise is available at *annexure-I*. State/UT-wise total number of operative KCC accounts is available at *annexure-II*.

## Comments of the Committee

Please refer to Para 1.22 of Chapter-I of this Report for Comments of the Committee.

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### ANNEXURE-I

<b>No. of eligible PM-KISAN beneficiaries upto 31st March, 2022</b>	
<b>State</b>	<b>Eligible Farmers Paid</b>
ANDAMAN AND NICOBAR ISLANDS	16044
ANDHRA PRADESH	5370959
ARUNACHAL PRADESH	94932
ASSAM	1396487
BIHAR	8233112
CHANDIGARH	424
CHHATTISGARH	3524272
DELHI	15360
GOA	9883
GUJARAT	6047985
HARYANA	1895436
HIMACHAL PRADESH	957457
JAMMU AND KASHMIR	1163327
JHARKHAND	2670637
KARNATAKA	5407443
KERALA	3668171
LADAKH	18361
LAKSHADWEEP	1856
MADHYA PRADESH	8572703
MAHARASHTRA	10747637
MANIPUR	478371
MEGHALAYA	192787
MIZORAM	178121
NAGALAND	206760
ODISHA	3948901
PUDUCHERRY	10797
PUNJAB	1716445
RAJASTHAN	7369781
SIKKIM	10532
TAMIL NADU	3803377
TELANGANA	3778980

THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU	13997
TRIPURA	238199
UTTAR PRADESH	25835586
UTTARAKHAND	915053
WEST BENGAL	4618540
<b>TOTAL</b>	<b>113128713</b>

## **ANNEXURE - II**

State/UT-wise total number of operative KCC accounts and amount outstanding

(No. in absolute & Amount in Rs. Crore)

Name of State	2019	2020	2021
	Operative KCC	Operative KCC	Operative KCC
Andhra Pradesh	4538771	452249G	4605047
A & N Islands	9046	5362	7868
Arunachal Pradesh	61044	11562	860
Assam	923877	740713	736919
Bihar	2749887	2800942	2771102
Chandigarh	7561	3874	70857
Chhattisgarh	1391363	1521906	1766266
D & N Haveli and Daman & Diu	838	918	1281
Goa	15336	6874	14015
Gujarat	2437207	2466036	2892516
Haryana	2119394	2143528	2263947
Himachal Pradesh	319295	376505	392245
Jammu & Kashmir	408150	468307	1008862
Jharkhand	984977	1021120	925401
Karnataka	3989864	4109867	4823251
Kerala	1294029	1080459	1862579
Ladakh#			29900
Lakshdweep	43571	407	398
Madhya Pradesh	6709897	5897055	6274836
Maharashtra	5774819	5769176	6867895
Manipur	22900	24514	18464
Meghalaya	88174	64184	61618
Mizoram	21310	17546	24442
Nagaland	115008	27762	27531
New Delhi	3952	3872	3974
Odisha	3855616	4004517	4337869
Pondicherry	34463	12122	17015
Punjab	2014204	1969220	2244289
Rajasthan	5635246	5726322	6615298
Sikkim	19819	5808	7043
Tamilnadu	2064587	1947580	2973041

Telangana	3920822	4079305	4259731
Tripura	232906	250581	256385
Uttar Pradesh	131331	10648643	11280943
Uttarakhand	543824	516460	606276
West Bengal	2816511	3034711	3712246
<b>Total</b>	<b>66299599</b>	<b>65280254</b>	<b>73769951</b>

Source: RBI (in respect of Scheduled Commercial Banks) and NABARD (in respect of Regional Rural Banks and Cooperative Banks) Figures for 2019 & 2020 included in Jammu & Kashmir



## **CHAPTER V**

### **OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED**

#### **Analysis of Demands for Grants - Demand No.1 (Recommendation No.2)**

The Committee note that while replying to a query about utilization of funds during 2021-22, the Department has submitted that taking into account the proposals in the pipeline, the Department is likely to utilise the entire Budget during the current FY 2021-22, except the quota allocated under mandatory provision for NE States where the utilisation is restricted on account of low cultivable area, non-release of matching share by those States and community landholding. This, in turn, clearly indicates that the Department has admitted that it will not be able to fully utilize the funds allocated to it even before the close of year 2021-22. The Committee are of the considered view that since the Department is aware of the reasons/factors, which hamper cent percent utilization of funds available, it should suitably modify its Schemes including the funding pattern as well as method of implementation, so that effective and optimal utilization of funds earmarked for Agriculture Sector can be ensured. The Committee would like to be apprised of the steps taken in this regard.

#### **Reply of the Government**

Pursuant to recommendation of the Committee, Department has taken necessary steps to maximize utilization of funds allocated during 2021-22, a result of which 97.03% of RE (2020-21) has been utilized. Further, Department is identifying the factors and rules in Operational Guidelines which hinder or restrict the utilization of funds and incorporating the provisions in EFC of the scheme. A Task Force comprising of Senior Officers from Department of Agriculture & Farmers' Welfare, Ministry of DONER and NE States is also formed to steer the growth of Agriculture Sector in NE region.

#### **Comments of the Committee**

Please refer to Para 1.10 of Chapter-I of this Report for Comments of the Committee.

**Ministry of Agriculture & Farmers Welfare  
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#### **Funds Surrendered by the Department (Recommendation No.4)**

The Committee note from the reply of the Department that funds have been surrendered amounting to Rs. 34517.70 Crore, Rs. 23824.54 Crore and Rs. 9586.86 during 2019-20, 2020-21 and 2021-22 respectively. That means Rs. 67929.10 Crore have

been surrendered by the Department in these years without spending. The Committee are of the opinion that the surrender of funds that is not at all a healthy practice; which the Committee observe was mainly on account of less requirement under NES (North Eastern States), SCSP (Schedule Caste Sub-Plan) and Tribal Area Sub-Plan (TASP) Components. The Committee express displeasure over surrender of funds. The Committee, therefore, recommend the Department to identify reasons avoidable surrender of funds and take corrective measures to ensure that the funds are utilized fully, properly and efficiently."

### **Reply of the Government**

The surrender of FY 2021-22 is mainly on account of teething issues related to compliance of guidelines promulgated by Ministry of Finance with effects from 1<sup>st</sup> July 2021 for all Centrally Sponsored scheme (CSS) and the less requirement in NER can be mainly attributed to (i) land holding being an essential criteria for release of funds under PM-KISAN and other schemes, (ii) majority of the land holding in NER are community lands, and (iii) total cultivable land (area) in NER is 2.74% of Gross Cultivable Area(CGA).

Further, this Department is pursuing the matter with the State Governments and other concerned organizations for expediting the proposals and to resolve other related issues promptly and closely monitoring pace of expenditure and flow of funds under the various schemes and identifying the factors and rules in Operational Guidelines which hinder or restrict the utilization of funds and incorporating the provisions in EFC of the schemes.

### **Comments of the Committee**

Please refer to Para 1.13 of Chapter-I of this Report for Comments of the Committee.

**Ministry of Agriculture & Farmers Welfare  
(Department of Agricultural and Farmers Welfare)  
F.No.7(5)/2021, dated 27 June, 2022**

**NEW DELHI  
06 December, 2022  
15 Agrahayana,1944 (Saka)**

**P.C. GADDIGOUDAR  
Chairperson,  
Standing Committee on Agriculture,  
Animal Husbandry and Food Processing.**

**Standing Committee on Agriculture, Animal Husbandry and Food Processing  
(2022-23)**

**Minutes of the Second Sitting of the Committee**

\*\*\*\*\*

The Committee sat on Tuesday, the 15<sup>th</sup> November, 2022, from 1100hrs. to 1245 hrs. in Committee Room No. 3, Block A, Extension to Parliament House Annexe, New Delhi.

**PRESENT**

Shri P.C. Gaddigoudar – *Chairperson*

***Members  
Lok Sabha***

2. Shri A Ganeshamurthi
3. Shri Kanakmal Katara
4. Shri Devji Mansingram Patel
5. Shri Pocha Brahmananda Reddy
6. Shri Devendra Singh *alias* Bhole Singh
7. Shri Ram Kripal Yadav

***Rajya Sabha***

8. Shri Masthan Rao Beeda
9. Dr. Anil Sukhdeorao Bonde
10. Shri S.Kalyansundaram
11. Shri Kailash Soni
12. Shri Randeep Singh Surjewala
13. Shri Ram Nath Thakur

***Secretariat***

- |    |                            |   |                      |
|----|----------------------------|---|----------------------|
| 1. | Shri Shiv Kumar            | - | Additional Secretary |
| 2. | Shri Naval K. Verma        | - | Director             |
| 3. | Shri Uttam Chand Bharadwaj | - | Additional Director  |
| 4. | Shri Prem Ranjan           | - | Deputy Secretary     |
| 5. | Shri N. Amarathiagan       | - | Under Secretary      |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Standing Committee and informed them that as directed by the Hon'ble Speaker, LAARDIS will

make a presentation before the Committee so as to make the Members aware of the new initiatives taken towards capacity building for augmentation of research, new initiatives in the Parliament Library, creating awareness about the rich resources/repositories of the Parliament Library, training programmes by PRIDE etc. Thereafter, Officers of LAARDIS made their Power Point Presentation.

3. The Committee then took up for consideration the following Action Taken Reports:

\* (i) XXXX            XXXX            XXXX            XXXX            XXXX

\* (ii) Draft Action Taken Report on Action-taken by the Government on Observations/Recommendations contained in the Thirty-Seventh Report of the Committee on 'Demands for Grants (2022-23)' pertaining to the Ministry of Agriculture & Farmers Welfare (Department of Agriculture and Farmers Welfare);

\* (iii) XXXX            XXXX            XXXX            XXXX            XXXX

\* (iv) XXXX            XXXX            XXXX            XXXX            XXXX

\* (v) XXXX            XXXX            XXXX            XXXX            XXXX

\* (vi) XXXX            XXXX            XXXX            XXXX            XXXX

4. After some deliberations, the Committee adopted the Draft Action Taken Reports without any modifications and the Committee authorised the Chairperson to finalise and present these Reports to the Parliament.

\*5. XXXX            XXXX            XXXX            XXXX            XXXX

\*6. XXXX            XXXX            XXXX            XXXX            XXXX

\*7. XXXX            XXXX            XXXX            XXXX            XXXX

\*8. XXXX            XXXX            XXXX            XXXX            XXXX

***The Committee then adjourned.***

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**\*Matter not related to this Report.**

## APPENDIX - I

(Vide Para 4 of Introduction of the Report)

*ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE THIRTY SEVENTH REPORT OF STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (17<sup>TH</sup> LOK SABHA)*

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(i)	Total number of Recommendations	20
(ii)	Recommendations/Observations which have been Accepted by the Government Recommendation Nos. 1,6,9 ,10, 11,12,13,15,16,17,18,19 and 20	
	Total	13
	Percentage	65%
(iii)	Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies Recommendation Nos.3, 5& 8	
	Total	03
	Percentage	15%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee Recommendation Nos.7 &14	
	Total	02
	Percentage	10%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited Recommendation Nos. 2 & 4	
	Total	02
	Percentage	10%