Increase in Real Income for Small and Marginal Farmers

Prelims: *Current events of national and international importance*

Why in News?

Recently, Minister of State for Agriculture and Farmers Welfare highlighted that government initiatives have significantly increased farmers' income during the last five years.

Situation Assessment Survey (SAS) of Agricultural Households
• **Reference -** NSS 77th round of the Survey (January, 2019 – December, 2019. • **Purpose –** Periodically estimate average monthly income of agricultural households in the country. • **Conducted by** –National Statistics Office (NSO). • **Ministry** – Ministry of Statistics and Program Implementation (MoSPI). • **Key Finding -** The average monthly income per agricultural household from various sources is estimated at Rs. 10, 218/- per month.

- Government Implemented various policies to ensure the welfare and increase the income of farmers including small and marginal farmers in the country.
- **Strategy to increase farmers income –** *Ministry of Agriculture & Farmers Welfare* has identified following integrated strategy for comprehensive growth of agriculture sector. This includes
    - Increase crop production/ productivity
    - Reduce cost of production
    - Better price realization of farmers' produces to enhance their incomes
    - Agricultural diversification
    - Developing post-harvest value addition
    - Adaptation to climate change for sustainable agriculture and mitigate against crop losses
- **Initiatives that enhance farmers income** –
    - Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
    - Pradhan Mantri Fasal Bima Yojana (PMFBY)
    - Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)
    - Fixing of Minimum Support Price (MSP) at one-and-a half times the cost of production
    - Agriculture Infrastructure Fund (AIF)
    - Formation and Promotion of 10,000 Farmer Producer Organizations (FPOs)
    - Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)
    - Modified Interest Subvention Scheme (MISS)
    - National Bee Keeping and Honey Mission (NBHM)
    - Agri Fund for Start Ups & Rural Enterprises' (AgriSURE)
    - Integrated Scheme for Agriculture Marketing National Agriculture Market (ISAM eNAM)
    - Rashtriya Krishi Vikas Yojana (RKVY)
- **MSP increase** – With a minimum return of 50% over all India weighted average cost of production, government had increased MSPs for ***all mandated Kharif, Rabi and other Commercial crops*** from 2018-19 onwards.
- **Budget increase** – From Rs. 21933.50 crore Budget Estimates(BE) during 2013-14 to Rs.

1,27,290.16 crore BE during 2025-26 for Department of Agriculture & Farmers Welfare (DA&FW).

Minimum Support Prices (MSPs) for 22 mandated crops
• Based on recommendations from the *Commission for Agricultural Costs & Prices (CACP).* • **Cereals -** Paddy, wheat, barley, jowar, bajra, maize, and ragi. • **Pulses -** Gram, arhar/tur, moong, urad, and lentil. • **Oilseeds -** Groundnut, rapeseed/mustard, soyabean, sunflower, sesamum, safflower, and nigerseed. • **Commercial Crops -** Cotton, jute, and copra. *Sugarcane is also included, but with a Fair and Remunerative Price (FRP) rather than an MSP.*

Reference

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