



## Government Schemes for Farmers

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### INTRODUCTION

In agriculture, unexpected weather and market swings make farmers' livelihoods vulnerable. Agriculture sustains economies and ensures food security, therefore, governments worldwide implement programmes to boost the industry and help farmers. Financial aid, risk mitigation, technical progress, and sustainable agriculture are carefully considered in these government programmes for farmers. This article examines government programmes that empower farmers, boost productivity, and strengthen nations' agricultural bases. Understanding and using these programmes may improve farmers' lives and make agriculture more sustainable and resilient.

### National Agriculture Infrastructure Finance Facility

Agriculture expansion and output require infrastructure. Only by strengthening infrastructure, especially post-harvest, can food be used with value and farmers treated pretty. Natural disasters, regional inequality, human resource development, and the full potential of our finite land resources will be handled by this infrastructure. Thus, on 15.05.2020, the Hon'ble Finance Minister announced a 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers. Primary Agricultural Cooperative Societies, Farmer's Producer Organisations, Agriculture entrepreneurs, Start-ups, and others would get Rs. 1,00,000 crores for farm-gate and aggregation point infrastructure projects. Motivation for cost-effective, lucrative farm gate and aggregation point Post Harvest Management infrastructure. DA&FW launched the Central Sector Scheme through incentives and financial support to generate medium-long-term loan finance for suitable postharvest management infrastructure and community agricultural asset projects. Budget statement 01.02.2021 expanded the idea to APMCs.

Cabinet approved inclusive plan revisions. Loans up to ₹ 2 crore can be guaranteed under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) plan for eligible borrowers. The government will fund this coverage. FPO credit guarantees are part of DA&FW's marketing approach. All loans under this funding programme receive 3% yearly interest subvention up to ₹ 2 crore. This subvention lasts 7 years. For loans beyond ₹ 2 crore, interest subvention is limited to ₹ 2 crore. National Monitoring Committee may determine private enterprise financing amounts and proportions.

#### **Main features-**

- ❖ Integrating all national or state government programmes.
- ❖ Single-window online portal with participating lenders.
- ❖ Project Management Unit to assist with project preparation.
- ❖ Finance facility size: ₹ 1 lakh crore.
- ❖ Credit Guarantee for loans up to ₹ 2 Crore.
- ❖ Loan amount can be increased; however, interest subvention is limited to ₹ 2 crore per project in one location at 3% p.a.
- ❖ Cap lending rates to ensure beneficiaries receive interest subsidies and producers can afford services.
- ❖ Many lending institutions, including commercial, cooperative, RRB, small finance, NCDC, and NBFCs.
- ❖ Projects in several locations by an eligible organisation are eligible for a loan of up to ₹ 2 crore under the plan.
- ❖ Private sector entities, including farmers, agro entrepreneurs, and startups, can submit 25 projects.
- ❖ State agencies, national and state cooperative federations, FPO federations, and SHG federations are exempt from the 25-project limit.

#### **Crop Insurance Plans**

##### **Pradhan Mantri Fasal Bima Yojana (PMFBY)-**

- ❖ State-notified food, oilseed, and yearly horticultural/commercial crop insurance.

- ❖ One maximum premium for farmers:
  - ✓ 2% of total insured during kharif.
  - ✓ Rabi Season: 1.5% of insurance.
  - ✓ Annual commercial/horticultural crops—5% of insured

##### **Weather Based Crop Insurance Scheme (WBCIS)**

- ❖ Insurance for recognised food, oilseed, and horticultural/commercial crops.
- ❖ All farmers get the same maximum premium like PMFBY:
  - ✓ Kharif season: 2% of insured.
  - ✓ Rabi Season 1.5% of sum insured.
  - ✓ Commercial/horticultural crops 5% of insured.

##### **Coconut Palm Insurance Scheme (CPIS)**

- ❖ Coconut Palm grower insurance.
- ❖ Premium per palm ranges from Rs. 9.00 (4–15 years) to Rs. 14.00. (in the plant age group of 16-60 years).
- ❖ All farmers receive 50-75% premium subsidies.
- ❖ In notified locations, the insured receives input cost loss damage for palm damage.

##### **Pradhan Mantri Krishi Sinchai Yojana**

On July 1, 2015, Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) was started with the motto 'Har Khet ko Pani' to provide end-to-end irrigation supply chain solutions for water resources, distribution networks, farm level applications, and water use efficiency. Micro irrigation (MI) is promoted for 'Per Drop – More Crop' (PDMC).

##### **KCC For Animal Husbandry and Fisheries**

###### **❖ Objective**

To offer farmers a single access point to sufficient and prompt finance support for their fishing and animal husbandry endeavors.

###### **❖ Eligibility**

The eligible beneficiaries for this programme include farmers engaged in dairy, poultry, and fish farming, either as individuals or in collaboration with others. This also includes

joint liability groups, self-help groups, and tenant farmers. These individuals must be involved in rearing dairy animals, sheep, goats, pigs, poultry, birds, or rabbits, and must have access to owned, rented, or leased sheds. Additionally, fishers who own or lease registered fishing vessels or boats, possess the necessary fishing licences or permissions for fishing in estuaries and the sea, and engage in fish farming or mariculture activities in estuaries and open sea are also eligible. Other fisheries and allied activities specific to each state may also be considered.

#### ❖ **Loan amount**

Farmers who own Kisan Credit Cards (KCC) based on their land ownership have the opportunity to have their KCC credit limit increased. However, it should be noted that interest subvention would only be applicable up to a maximum amount of Rs 3 lakhs. While the standard credit limit for KCC (Kisan Credit Card) without collateral stands at Rs. 1.6 lakh, an exception is made for farmers whose milk is procured directly by Milk Unions through tie-up arrangements with processing units, thereby eliminating intermediaries. In such cases, the credit limits without collateral can be extended up to Rs. 3 lakhs.

#### ❖ **Interest subvention for the KCC loan**

Holders of Kisan Credit Cards (KCC) would be eligible to receive the advantages of interest subvention and prompt repayment incentives, with a maximum credit limit of Rs 3 lakh, specifically for Animal Husbandry operations. Interest subvention would be provided to farmers engaged in Animal Husbandry at a 2%

per annum rate when the loan is given. Additionally, a further 3% per annum will be granted as a prompt repayment incentive for those who repay their loans promptly.

#### **National Beekeeping and Honey Mission**

During the fiscal year 2019-20, the National Beekeeping and Honey Mission (NBHM) was introduced by the Ministry of Agriculture and Farmers Welfare under the auspices of the Government of India.

#### **Scope of activities-**

Under 3 Mini Missions (MMs)-MM-1, MM-2 & MM-3, capacity building & training, special emphasis on women, input support for promotion & production, setting up of Integrated Beekeeping Development Centres (IBDCs), other Infrastructures, Digitization /online registration, etc., processing, value addition, market support, etc. & R&D are being undertaken.

#### **Beneficiaries-**

- ❖ Individual beneficiaries/ Societies/ Organisations/ Businesses.
- ❖ Self Help Groups (SHGs), Joint Liability Groups (JLGs), Farmers, Beekeepers Interested Groups (FIGs), Cooperatives, FPOs, FPCs, Member Beekeepers' Federations (MBFs) of NBB, and MBFs registered with NBB.
- ❖ National/State Governmental Organisations, such as NBB, ICAR, State Agricultural Universities (SAUs)/Central Agricultural Universities (CAUs), etc.