



Interim Budget 2019-20



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# Agricultural Production and Market Outlook

The Rising Agriculture....

**Govt. is launching Pradhan Mantri Kisan Samman Nidhi (P.M. Kissan)**



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Agriculture continues to be the main driver of the rural economy. Our hard-working farmers, supported by pro-farmer policies of our Government in the past four and half years, have produced agriculture commodities in record quantities. Declining prices of agricultural commodities in the international market and fall in food inflation in India since 2017-18, relative to non-food sector, have however, reduced the returns from farming. Small and fragmented land holding on account of repeated divisions has also contributed in decline in the income of the farmer family. Hence, there is a need for providing structured income support to the poor land-holder farmer families in the country for procuring inputs such as seeds, fertilizers, equipment, labour etc. and to meet other needs. Such support will help them in avoiding indebtedness as well and falling into clutches of money lenders. To provide an assured income support to the small and marginal farmers, Government is launching a historic programme namely "Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)". Under this programme, vulnerable landholding farmer families, having cultivable land upto 2 hectares, will be

provided direct income support at the rate of Rs 6,000 per year. This income support will be transferred directly into the bank accounts of beneficiary farmers, in three equal installments of Rs 2,000 each. This programme will be funded by Government of India. Around 12 crore small and marginal farmer families are expected to benefit from this. The programme would be made effective from 1st December 2018 and the first installment for the period upto 31st March 2019 would be paid during this year itself. This programme will entail an annual expenditure of Rs 75,000 crore.

The Budgetary allocation of the Agriculture and Farmers' Welfare Ministry has been raised by around 2.5 times from Rs 58,358 crore in 2018-19 to Rs 1,41,174.37 crore in 2019-20.

- Micro Irrigation Fund – Rs 5000 crore
- Dairy Processing & Infrastructure Development Fund (DIDF) – Rs 10,881 crore
- Agri-Market Infrastructure Fund – Rs 2000 crore
- Fisheries and Aquaculture Infrastructure Development Fund (FIDF) – Rs 7522.48 crore
- Animal Husbandry Infrastructure Development Fund (AHIDF) – Rs 2477.52 crore

### Rashtriya Gokul Missions



Rashtriya Gokul Mission has been started for the first time in the country by Central Government to promote the country's cattle and buffaloes, to preserve their genetic resources in scientific and holistic form and for continuous growth in the productivity of Indian bovine. Considering its importance, Rs 250 crore allocations for it in Budget 2018-19 have been raised to Rs 750 crore. The "Rashtriya Kamdhenu Aayog" has been established to upscale sustainable genetic up-gradation of cow resources and to enhance production and productivity of cows. The Aayog will also look after effective implementation of laws and welfare

schemes for cows. Besides advising Gaushala and gausadan involved in protecting cows, the body will also help in coordination between livestock farmers and cooperatives, FPOs, dairy entrepreneurs etc.

### Government decides to create a separate Department of Fisheries



India is the second largest fish producing nation in the world accounting for 6.3% of global production. The fisheries sector contributes 1% to GDP and provides livelihood to about 1.45 crore people at the primary level. The sector registered an average annual growth of more than 7% in recent years and the total production during 2017-18 was 12.61 million tonnes. During 2017-18, the revenue from exports was estimated at Rs 45,106.89 crores, which shows an average annual growth rate of approximately 11.31% in recent years. To provide sustained and focused attention towards development of this sector, Government has decided to create a separate Department of Fisheries.

Through Kisan Credit Card, the government provides institutional credit at cheap rates to farmers. This not only helps in increasing agricultural production but also productivity. In the interest subvention scheme, farmers are given short-term loan up to Rs 3 lakh per annum by banks on timely payment of loan at the rate of 4%. In the last Budget, our Government announced the facility of extension of Kisan Credit Card scheme (KCC) to Animal Husbandry and Fisheries farmers. 2% interest subvention to the farmers pursuing the activities of animal husbandry and fisheries, who avail loan through Kisan Credit Card will be provided. Further, in case of timely repayment of loan, they will also get an additional 3% interest subvention.



*Acknowledged the information used/taken from the public domain*

Presently, the crop loans are rescheduled for such affected farmers and they get benefit of interest subvention of 2% only for the first year of the rescheduled loan. Now, all farmers affected by severe natural calamities, where assistance is provided from National Disaster Relief Fund (NDRF), will be provided the benefit of interest subvention of 2% and prompt repayment incentive of 3% for the entire period of reschedulement of their loans. To ensure provision of easy and concessional credit and to bring all farmers under KCC fold, Government has decided to initiate a comprehensive drive with a simplified application form.

### Government Unveils Vision for the Next Decade



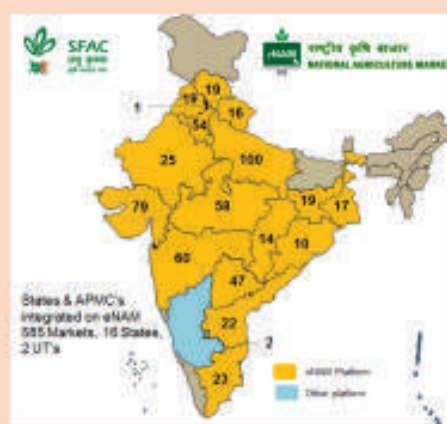
The Government has unveiled its vision for the next decade, listing thereby ten most important dimensions in 2030. "With this comprehensive ten-dimensional Vision, we will create an India where poverty, malnutrition, littering and illiteracy would be a matter of the past. India would be a modern, technology driven, high growth, equitable and transparent society." said Union Minister for Finance, Corporate Affairs, Railways & Coal, Shri Piyush Goyal while presenting the Interim Budget 2019-20 in Parliament. The dimensions of Vision-2030 outlined.

- 1) To create physical and social infrastructure for ten trillion dollar economy and to provide ease of living.
- 2) Digital India led by the youths with innumerable start-ups and million of jobs.
- 3) To make India pollution free by focusing on Electrical Vehicles and renewables.
- 4) Rural industrailisation using modern technologies to generate massive employment.
- 5) Clean rivers, with safe drinking water to all Indians and efficient use of water in irrigation using micro-irrigation techniques.
- 6) Besides scaling up Sagarmala, India 's coastline and ocean waters will power development.

- 7) Through our space programme – Gaganyaan, India becoming the launch-pad of satellites for the World
- 8) Self sufficiency in food production and producing food in the most organic way.
- 9) A healthy India by 2030 and a distress free health care and wellness system for all. Ayushman Bharat and women participation would be an important component in it.

Employees working with elected Government, transforming India into Minimum Government Maximum Governance nation.

### Integration of Mandis with e-NAM



585 wholesale regulated markets/ Agriculture Produce Market Committee (APMC) Markets have been so far integrated with e-market (e-NAM) platform in 16 States and 2 Union Territories (UTs), who have carried out requisite reforms in their State Agriculture Produce Marketing Committee Act (APMC Act). The State-wise details are given back in Table.

States desirous of linking their mandis with e-NAM are required to carry out 3 marketing reforms in their APMC Act i.e. Single point levy of mandi fee, Unified trade license valid across all mandis of State and Provision of e-auction. After carrying out reforms, States are required to propose their wholesale regulated markets for integration with e-NAM platform based on States priorities, which are then considered by Government of India for integration.

States / UTs, which either do not have marketing regulation or have one which is not in force, must identify Institution with legally enforceable guidelines, which will develop the appropriate physical infrastructure and put in place facilitatory provisions required for e-trading on e-NAM platform including registration of traders/farmers.

Therefore, mandi integration with e-NAM platform is an ongoing process. Government of India is pursuing with rest of States/Union Territories to propose their market integration after completing requisite provisions.

### State wise list of Mandis integrated with e-NAM Platform

S. No.	Name of the State	Number of Mandis integrated
1	Andhra Pradesh	22
2	Chhattisgarh	14
3	Gujarat	79
4	Haryana	54
5	Himachal Pradesh	19
6	Jharkhand	19
7	Madhya Pradesh	58
8	Maharashtra	60
9	Odisha	10
10	Punjab	19
11	Pudducherry	2
12	Rajasthan	25
13	Tamil Nadu	23
14	Telangana	47
15	Uttar Pradesh	100
16	Uttarakhand	16
17	Chandigarh	1
18	West Bengal	17
	<b>Total</b>	<b>585</b>

### Bridging the Urban-Rural Gap in Agriculture

The Government is implementing several programmes that aim at bringing about overall

improvement in the quality of life of the rural people and bridging the urban rural gap through: creation of employment opportunities; strengthening of livelihood opportunities; creation of rural infrastructure; provision of other basic amenities; etc. These programmes, inter alia, include: Mahatma Gandhi National Rural Employment Guarantee Act for wage employment, Deendayal Antyodaya Yojana-National Rural Livelihoods Mission for livelihoods promotion through self-employment, Pradhan Mantri Awaas Yojana for rural housing, National Rurban Mission to stimulate local economic development, enhance basic services, and create well planned Rurban clusters, Prime Minister's Employment Generation Programme to generate self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth, National Social Assistance Programme for enhancing the incomes of rural poor and Pradhan Mantri Gram Sadak Yojana for rural roads. The focus of the Government on agricultural sector with programmes for irrigation, insurance, soil health, market, credit and farm infrastructure together with its announced policy on Minimum Support Price is also likely to boost farm and rural incomes. The shift of approach in policy planning from production centric to income centric and the launch of various schemes accordingly.



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