

**MAJOR GOVERNMENT SCHEMES FOR AGRICULTURE**

**SUMMARY OF ITEMS COVERED UNDER VARIOUS GOVERNMENT SCHEMES:**

<b>S.No.</b>	<b>ITEMS</b>	<b>LINKED PROGRAMME</b>
1	<b>Horticulture</b>	
	Seed (Foundation)	Rashtriya Krishi Vikas Yojana (RKVY)
	Seed (Certified)	RKVY
	Vermicompost	National Mission for Sustainable Agriculture (NMSA)
	Promotion of Organic inputs	NMSA
	Green manuring	NMSA
	Single bud seedling/ Nursery rearing	Agriculture Technology Management Agency (ATMA)
	Tissue culture labs	NFSM
	Trash mulching	RKVY
	INM/IPM infrastructure such as disease forecasting units, plant	NFSM
	Health clinics, leaf/tissue analysis labs, Bio control labs	NFSM
2	<b>Natural Resource Management</b>	
	Reclamation of problem soils	NMSA
3	<b>Pest management &amp; Pesticide quality control</b>	
	Labs for production of bio control agents	National Food Security Mission (NFSM)
	Seed treatment drums and chemicals	NFSM
4	<b>Soil nutrient management</b>	
	Setting of soil testing labs	NMSA
	Strengthening of existing soil testing labs	NMSA
5	Agriculture mechanization and custom hiring centres for Agricultural equipments	Sub mission on Agricultural Mechanisation (SMAM)
6	Micro irrigation (Drip and sprinkler irrigation)	Pradhan Mantri Krishi Sinchayi Yojana (PMKSY)
7	<b>Agriculture Extension</b>	
	Kisan call centres	ATMA
	ATMA infrastructure	ATMA
	Knowledge/technology resource centres	ATMA
	Demonstration	RKVY
	Consultant engagement and travel	NFSM

## SALIENT FEATURES OF THE MAJOR GOVERNMENT SCHEMES

### **1. RASHTRIYA KRISHI VIKAS YOJANA - (RKVY):**

RKVY has been launched by the Ministry of Agriculture and cooperation, Government of India with the objective to incentivise the States to increase their investments in the Agriculture and allied sectors in order to achieve desired annual growth in the agriculture sector during the XII th Five year plan period.

Based on feedback received from States, experiences garnered during implementation in the 12th Plan and inputs provided by stakeholders, RKVY guidelines have been revamped as **RKVY – RAFTAAR - Remunerative Approaches for Agriculture and Allied sector Rejuvenation** to enhance efficiency, efficacy and inclusiveness of the programme for the remaining period of the Fourteenth Finance Commission.

#### **Objectives of RKVY-RAFTAAR:**

1. RKVY-RAFTAAR aims at making farming a remunerative economic activity through strengthening the farmers' effort, risk mitigation and promoting agri-business entrepreneurship.

2. The main objectives of the scheme are-

(i) To strengthen the farmers' efforts through creation of required pre and post-harvest agri-infrastructure that increases access to quality inputs, storage, market facilities etc. and enable farmers to make informed choices.

(ii) To provide autonomy, flexibility to States to plan and execute schemes as per local/ farmers' needs.

(iii) To promote value chain addition linked production models that will help farmers increase their income as well as encourage production/productivity

(iv) To mitigate risk of farmers with focus on additional income generation activities - like integrated farming, mushroom cultivation, bee keeping, aromatic plant cultivation, floriculture etc.

(v) To attend national priorities through several sub-schemes.

(vi) To empower youth through skill development, innovation and agri-entrepreneurship based agribusiness models that attract them to agriculture.

#### **Eligibility Criteria and Inter State Allocation of Funds:**

1. RKVY-RAFTAAR will continue to be implemented as a Centrally Sponsored Scheme in the ratio of 60:40 (Government of India and State Share respectively) except in case of north eastern and hilly states where the sharing pattern is 90:10. For UTs the grant is 100% as Central share. The list of allied sectors as indicated by the erstwhile Planning Commission will be the basis for determining the sectoral expenditure, i.e., Crop Husbandry (including Horticulture), Animal Husbandry and Fisheries, Dairy Development, Agricultural Research and Education, Forestry and Wildlife, Plantation and Agricultural Marketing, Food Storage and Warehousing, Soil and Water Conservation, Agricultural Financial Institutions, other Agricultural Programmes and Cooperation.

**2. Eligibility Criteria:** Since RKVY-RAFTAAR has now been recast as a Centrally Sponsored Scheme whereby States are contributing their share, all States / UTs will be eligible for funding under RKVY-RAFTAAR.

**3. Criteria for interstate allocation:**

The quantum of assistance (or fund allocation) to the States will be in accordance with the parameters and respective weights. RKVY-RAFTAAR Funds will be made available to the States in two installments of 50% each. Inter-State allocation criteria will not be applied for providing funds under the sub-schemes of RKVY-RAFTAAR.

**4. Release of funds** will be made to the State Governments, central government institutions, autonomous bodies, national/ international institutions based on the annual plans.

**Programme Components (Streams):** RKVY-RAFTAAR funds would be provided to the States as grant by the Central Government in the following streams.

<b>S. No.</b>	<b>Programme Components (Streams)</b>	<b>Annual Outlay</b>	<b>Criteria/Parameters</b>
<b>1.</b>	Regular RKVY-RAFTAAR	70 %	Annual outlay will be allocated among States as per criteria.
<b>a.</b>	Infrastructure and assets <ul style="list-style-type: none"> <li>- Horticulture</li> <li>- Natural resource management</li> <li>- Pest management and pesticide quality control</li> <li>- Soil nutrient management, fertilizers, Bio-fertilizers and integrated manure management</li> <li>- Seeds and agriculture mechanization</li> <li>- Agriculture extension</li> <li>- Minor and micro irrigation</li> <li>- Credit and co-operation</li> </ul>	50 % (of 70 %)	Regular RKVY-RAFTAAR outlay <ul style="list-style-type: none"> <li>- pre-harvest infrastructure- 20%,</li> <li>- post-harvest infrastructure- 30%</li> </ul>
<b>b.</b>	Public Private Partnership for Integrated Agriculture Development (PPPIAD) projects	30 % (of 70 %)	Value addition linked production projects (agribusiness models) that provide assured/ additional income to farmers.
<b>c.</b>	Flexi funds	20 % (of 70 %)	States can use this fund for supporting any projects as per their local needs preferably for innovative activities in agriculture and allied sectors.
<b>2.</b>	Special sub-schemes	20 %	Based on national priorities as notified

			by Govt. of India from time to time for development of region and problem specific areas.
3.	Innovation and agri-entrepreneur development	10 %	For encouraging innovation and agri-entrepreneurs through skill development and financial support. In case the funds are not utilized, they will be diverted to regular RKVY and sub-schemes.

## 2. NATIONAL MISSION FOR SUSTAINABLE AGRICULTURE (NMSA):

Under the National action plan on Climate change, India has launched a dedicated NMSA to define its strategies for climate mitigation and adaptation within the agriculture sector.

The scheme has four major programme components:

- a) Rainfed area development (RAD)
- b) On farm water management (OFWM)
- c) Soil health management
- d) Climate change and sustainable agriculture: monitoring, modeling and networking

**Point no. (b) subsumed in PMKSY w.e.f. April'2015.**

**Pattern of assistance (excerpts from NMSA guidelines):**

S.No.	Item	Practices	Cost norms and Central share	State Share
<b>Rainfed Area development (RAD)</b>				
1	Water harvesting and management	Water harvesting system for individuals	50% of cost limited to Rs. 75000 for plains and Rs. 90000 for hilly areas including lining. For smaller size of the ponds/ dig wells, cost admissible on pro rata basis. Cost for non lined ponds/tanks will be 30% less. The families who are eligible for individual beneficiary oriented works under MGNREGS should preferably be given the labour component through MGNREGS and the material component through NMSA.	
		Lining of tanks/ponds constructed under MGNREGS/WSDP etc.	50% (cost of plastic/RCC lining limited to Rs. 25000 per pond/tank/well.	
		Water harvesting system for	100% of cost limited to Rs. 20	

		communities. Construction of Community tanks/on farm ponds/ check dam/ reservoirs with the use of plastic/RCC lining on public land. If some individual agrees for construction on his land, the same will have to be transferred in the name of panchayat/govt. first.	lac/unit in plain areas. Rs. 25 lacs in hilly areas for 10 hectares of command area or any other smaller size on pro rata basis depending upon the command areas, owned & managed by a community/farmers. Cost for non lined ponds will be 30% less. Assistance under NMSSA will be restricted to the cost of plastic/RCC lining for MGNREGS beneficiaries. Minimum command area shall be at least 10 Hectares for such projects and management of assets will be preferably through Water Users association (WUA).	
		Construction of tube wells/bore wells (shallow/medium)	50% of the total cost of installation limited to Rs. 25000 per unit only in the areas which are not categorized critical, semi critical zone by CGWA	
		Restoration/Renovation of small tank	50% of the cost of renovation limited to Rs. 15000 per unit	
		Recharge of defunct bore well	50% of the cost of recharging limited to Rs. 5000 per unit	
		Pipe/pre cast distribution system	50% of the cost of system limited to Rs. 10000 per Hectare. Maximum permissible assistance will be restricted to 4 hectares per beneficiary/group	
		Water lifting devices (Electric/Diesel/Wind/Solar)	50% of the cost of installation limited to Rs. 15000 per electric/diesel unit and Rs. 50000 per solar/wind unit.	
2	Resource conservation	In situ moisture conservation: land leveling, field bunding, mulching, broad bed and furrow method, saucer basins/ semi circular bunds, compartmental bunding, tied ridges.	50% of the cost limited to Rs. 4000 per ha. Maximum permissible assistance will be restricted to 2 ha per beneficiary/group.	
		Vegetative Nitrogen fixing hedge/mixer use protective fencing/Contour/graded/staggered bunding/trenching	50% of the cost subject to a limit of Rs. 5000 per ha to individual and 90% of the cost in case of common land proposed in the project mode with other activities. Maximum permissible	

			assistance shall be restricted to Rs. 10000 for individual beneficiary and Rs. 1.0 lakh for a common property per village.	
		Bench Terracing/ zing Terracing	50% of the cost limited to Rs. 20000 per ha. Maximum permissible assistance will be restricted to 2 ha per beneficiary/group.	
		Upper reach gully control bund (Earthen with vegetative support/ loose boulder/gabion)	50% of the cost subject to a limit of Rs. 3000 per structure to individual and 100% of the cost in case of common land proposed in the project mode with other activities. Maximum permissible assistance shall be restricted to Rs. 15000 for individual beneficiary and Rs. 1.2 lakh for a common property per village.	
		Middle reach gully control bund (Earthen with vegetative support/ loose boulder/gabion)	50% of the cost subject to a limit of Rs. 12000 per structure to individual and 100% of the cost in case of common land proposed in the project mode with other activities. Maximum permissible assistance shall be restricted to Rs. 24000 for individual beneficiary and Rs. 1.2 lakh for a common property per village.	
		Lower reach gully control bund (Earthen with vegetative support/ loose boulder/gabion)	50% of the cost subject to a limit of Rs. 20000 per structure to individual and 100% of the cost in case of common land proposed in the project mode with other activities. Maximum permissible assistance shall be restricted to Rs. 40000 for individual beneficiary and Rs. 2.4 lakh for a common property per village.	
		Spill ways (Drop, chute, spur, retaining wall)	50% of the cost subject to a limit of Rs. 40000 per structure to individual and 100% of the cost in case of common land proposed in the project mode with other activities. Maximum permissible assistance shall be restricted to Rs. 40000 for individual	

			beneficiary and Rs. 1.6 lakh for a common property per village.	
3	Vermi compost units/ organic input production unit, green manuring	Construction of Vermi compost units, organic input production units and green manuring	50% of the cost subject to a limit of Rs. 125 per cubic ft. Maximum permissible assistance shall be rs 50,000 per unit for permanent structure and Rs. 8000 per unit for HDPE vermi bed. 50% of the cost limited to Rs. 2000 per ha and restricted to 2 ha per beneficiary for green manuring.	
4	Reclamation of problem soil	Alkaline/saline soil	50% of the cost subject to a limit of Rs. 25,000 per ha and/or Rs. 50,000 per beneficiary	
		Acid soil	50% of the cost subject to a limit of Rs.3000 per ha and/or Rs. 6000 per beneficiary	
5	Concept of Integrated farming, climate change adaptation, good agriculture practices on soil, water and crop management	Training to farmers including field demonstrations, capacity building of stakeholders/farmers through field visits	Rs. 10,000 per training session for 20 participants or more. Rs. 20,000 per demonstration for 50 participants or more.	

#### **Soil Health Management (SHM) under NMSA:**

S.No.	Item	Practices	Cost norms and Central share	State Share
1	Soil Health components of SHM under NMSA	Setting up of new Mobile/Static soil testing laboratories (MSTL/SSTL)	75% assistance of total project cost to <b>State government</b> for SSTL subject to a maximum limit of Rs. 56 lakh per SSTL/MSTL.	
		Strengthening of SSTL/MSTL	75% assistance of total project cost to State government for SSTL subject to a maximum limit of Rs. 30 lakh per SSTL/MSTL.	

### **Involvement of Private Sector in SHM:**

As per NMSA guidelines “Whereas normally Soil Testing labs will be set up by State government through State agencies, it is expected that state government will encourage involvement of other agencies such as private companies associated with Agriculture extension in some way such as fertilizer companies, Agriclincs, NGO’s, Cooperative societies and private entrepreneurs (Agri – preneurs). The State governments will need to announce clear guidelines for involving these private sector agencies in the operation and management of these Soil testing labs.”

In view of the above provision and with the objective to develop a network of soil testing laboratories across the country, both in public and private sectors, guidelines have been issued through State governments and capital Investment Subsidy scheme (CISS) through NABARD.

**Under the scheme, each Soil Testing Laboratory (Static/Mobile) will be provided with a subsidy @ 33.33% of cost of the project subject or Rs. 25 Lakh whichever is lower, with the ceiling on project cost including working capital for one operating cycle at Rs. 75 lakh. The scheme will be implemented by NCOF, Ghaziabad in collaboration with the Agriculture and Cooperation Department/ concerned department of the State Governments.**

Eligible units include Soil Testing Labs (Mobile/Static) suitable for catering upto 10,000 samples/year within command area of cluster of villages with facility to analyze 12 parameters i.e. pH, EC, OC, N, P, K, S, Zn, Fe, Mn, B & Cu.

Guidelines have also been issued for soil testing lab at village level and Mini soil testing lab with ICAR Technology.

### **3. PRADHAN MANTRI KRISHI SINCHAYI YOJANA (PMKSY):**

PMKSY has been launched with the motto of providing “Har khet ko Paani” and end to end solutions in irrigation supply chain, i.e. water sources, distribution network and farm level applications. It comprises of four components, namely:

- a) Accelerated Irrigation Benefit Programme (AIBP)
- b) Har khet ko Paani
- c) Watershed development
- d) Per drop more crop

District Irrigation plans is the cornerstone for planning and implementation of different components of PMKSY which identifies gaps in the irrigation chain after taking into consideration currently available resources and resources that would be added from ongoing schemes, both State and central.

The scheme is to be implemented through the mechanism of Direct Benefit Transfer (DBT).

From 1st April 2015, Micro Irrigation component of OFWM has been subsumed under Pradhan Mantri Krishi Sinchayee Yojana. It will be implemented as Centrally Sponsored Scheme on Micro Irrigation.



More focus is given on promotion of micro irrigation for water intensive/guzzling crops to minimize water requirement.

**Pattern of assistance under PMKSY for micro irrigation (Drip and Sprinkler):**

- **The pattern of assistance payable to the beneficiary under the micro irrigation scheme will be 55% for small and marginal farmers and 45% for other farmers which will be met by both Central and State government in the ratio of 60:40 for all States except NE and Himalayan States. In the case of these States, ratio of sharing is 90:10. For the Union Territories, funding pattern is 100% grant by Central government.**
- The subsidy payable to the beneficiary will be limited to an overall ceiling of 5 hectare per beneficiary.
- Those beneficiaries, who have already availed subsidy benefits for his/her farm, can not avail the assistance for the next seven years.
- Beneficiary could be individual or a group.
- In case of cooperative/group farming, members of cooperative societies, self help groups, incorporate companies, panchayati raj institutions, NGO's, Trusts, growers associations will be entitled to avail financial assistance through their respective bodies.
- The subsidy payment will be limited to the unit costs specified in the scheme guidelines.

**Note:** Individual States also announce lucrative schemes time-to-time for promotion of Drip-irrigation in the respective states:

S. No.	State	Subsidy	As on date
1.	Maharashtra	90 %	24-Jan-2018
2.	Karnataka	90 %	01-Mar-2018
3.	Tamil Nadu	-Small & marginal farmers- 100%, -Big farmers- 75%	12-Feb-2019
4.	Andhra Pradesh	90 %	14-Jan-2019
5.	Uttar pradesh	-Small & marginal farmers- 90%, -Big farmers- 80%	04-July-2017
6.	Bihar	90 %	24-Dec-2018

**4. NATIONAL MISSION ON AGRICULTURE EXTENSION AND TECHNOLOGY (NMAET):**

The objective of this mission is to spread farm extension services and mechanization. This mission has four Sub – missions as under:

- a) Sub – mission on Agricultural Extension (**SAME**)
- b) Sub – mission on Seed and Planting Material (**SMSP**)
- c) Sub – mission Agricultural Mechanization (**SMAM**)
- d) Sub – mission on Plant Protection and Plant Quarantine (**SMPP**)

The common thread that runs across all the four sub – missions is extension and technology, the four sub – missions are proposed for administrative convenience.

Farmers’ skill trainings and field extension as contained in all 4 Sub Missions of NMAET (Viz. SMSP, SMAE, SMAM and SMPP) will be converged with similar farmer-related activities going on through **ATMA** (Agriculture Technology Management Agency), which is an autonomous institution set up at district level to ensure delivery of extension services to the farmers.

**COST NORMS AND PATTERN OF ASSISTANCE UNDER SUB MISSION ON AGRICULTURAL MECHANISATION (SMAM) (Revised 2018-19):**

Excerpts from Annexure II (C) – SMAM guidelines:

**Component No. 3 – Financial Assistance for Procurement of Agriculture Machinery and Equipment**

S.NO.	Implements  Type of Agricultural Machinery	Maximum Financial Assistance			
		For SC/ST, small and marginal farmers/ women/ NE state beneficiaries		For Other beneficiaries	
		Max. Permissible subsidy per machine /equipment/ beneficiary (Lac Rs.)	%	Max. Permissible subsidy per machine/ equipment/ beneficiary (Lac Rs.)	%
<b>1</b>	<b>Tractors:</b>				
	Tractor 2 WD (08-20 PTO HP)	2.00	50	1.60	40
	Tractor 4 WD (08-20 PTO HP)	2.25		1.80	
	Tractor 2 WD (> 20-40 PTO HP)	2.50		2.00	
	Tractor 4 WD (> 20-40PTO HP)	3.00		2.40	
	Tractor 2 WD (> 40-70 PTO HP)	4.25		3.40	
	Tractor 4 WD (> 40-70PTO HP)	5.00		4.00	
<b>2</b>	<b>Power Tillers:</b>				
	Below 8 BHP	0.65	50	0.50	40
	8 BHP and above	0.85		0.70	
<b>3</b>	<b>Tractor/Power Tiller (Below 20 BHP) driven equipments:</b>				
(a)	Land development, tillage and seed bed preparation	0.10 – 0.40	50	0.08 – 0.32	40
(b)	Sowing, Planting, Reaping and Digging equipments: Sugarcane cutter/stripper	0.30	50	0.24	40
(c)	Inter Cultivation Equipments: Grass weed slasher	0.25	50	0.20	40
(d)	Equipments for residue management: Sugarcane Trash cutter	0.25	50	0.20	40
<b>4</b>	<b>Tractor/Power Tiller ( above 20 - 35 BHP) driven equipments:</b>				

(a)	Land development, tillage and seed bed preparation -MB plow- Power Harrow -Rotavator 5 Feet -Reversible Mechanical-Hydraulic Plough (2 bottom) -Laser Land Leveller	0.30 – 0.60 0.42 0.42 – 0.70 2.00	50	0.25 – 0.50 0.34 0.32 – 0.56 1.60	40
(b)	Sowing, Planting, Reaping and Digging equipments: Sugarcane cutter/stripper	0.40	50	0.32	40
(c)	Inter Cultivation Equipments: Grass weed Slasher	0.35	50	0.30	40
(d)	Equipments for residue management: Sugarcane Trash cutter/ Stubble shaver	0.40	50	0.30	40
<b>5</b>	<b>Tractor/Power Tiller ( above 35 BHP) driven equipments:</b>				
(a)	Land development, tillage and seed bed preparation -MB plow- Furrow opener -Rotavator 5 Feet- 8 feet -Reversible Mechanical-Hydraulic Plough (3 bottom) -Laser Land Leveller -Sub - soiler	0.50 0.42 – 0.504 0.50 – 0.895 2.00 0.55	50	0.40 0.34 – 0.403 0.40 – 0.716 1.60 0.45	40
(b)	Sowing, Planting, Reaping and Digging equipments: Sugarcane cutter/stripper Manure spreader Fertilizer spreader	0.75	50	0.60	40
(c)	Inter Cultivation Equipments: Grass Weed Slasher Weeder (PTO operated)	0.75	50	0.60	40
(d)	Equipments for residue management: Sugarcane Trash cutter Sugarcane Ratoon manager Stubble Shaver	1.25 0.80	50	1.00 0.64	40
<b>6</b>	<b>All manual/animal drawn equipments/implements/tools</b>				
(a)	Land development, tillage and seed bed preparation equipments	0.10	50	0.08	40
(b)	Sowing, Planting equipments	0.10	50	0.08	40
(c)	Harvesting and Threshing equipments	0.10	50	0.08	40
(d)	Inter cultivation equipments	0.012	50	0.010	40

<b>7</b>	<b>Plant Protection equipments</b>				
	Manual sprayer	0.0075	50	0.006	40
	Power knapsack sprayer (8-12 ltr)	0.031		0.025	
	Power knapsack sprayer (12–16 ltr)	0.038		0.03	
	Power knapsack sprayer (> 16 ltr)	0.10		0.08	
	Tractor mounted sprayer	0.37 – 1.25		0.28 – 1.00	
	Electrostatic sprayer	2.50		2.00	
	Eco friendly light trap	0.015		0.012	
<b>8</b>	<b>Irrigation Pumps</b>				
(a)	Diesel/Electric/tractor PTO operated/portable irrigation pumps upto 15 hp (with ISI/BEE labeled with mini 4 Star rated)	0.018 per hp		0.015 per hp	
(b)	Deep well (Submersible)/ Shallow well SPV water pumping systems with A.C./D.C. induction motor pump set & suitable inverter.	As per Ministry of New and Renewable Energy (MNRE), Govt. of India norms prevailing.			
(c)	Remote motor operators for Electric Pumpsets	50% limited to Rs. 0.07 lakh		40% limited to Rs. 0.05 lakh	

**Excerpts from Annexure II (d) & (e) – SMAM guidelines:**

**Component No. 4 – Establishment of Farm Machinery Banks for Custom Hiring:**

**Component No. 5 – Establishment of Hi-Tech, High Productive Equipment Hub for Custom Hiring:**

**Beneficiary: Entrepreneurs/Manufacturers**

S. No.	Item	Maximum permissible project cost (in lacs Rs)	Pattern of Assistance	Remarks
A	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 10 lacs	4.00	40%	<b>Component 4 (SMAM)</b>
B	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 25 lacs	10.00	40%	
C	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 40 lacs	16.00	40%	
D	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 60 lacs	24.00	40%	
A	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 100 lacs	40.00	40%	<b>Component 5 (SMAM)</b>
B	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 150 lacs	60.00	40%	
C	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 80 lacs	80.00	40%	

	Hiring Centre upto Rs. 200 lacs			
D	Procurement subsidy for establishment of Custom Hiring Centre upto Rs. 250 lacs	100.00	40%	

**Excerpts from Annexure II (f) – SMAM guidelines:**

**Component No. 6 - Promotion of Farm Mechanization in Selected Villages**

S. No.	Item	Maximum permissible project cost (in lacs Rs)	Pattern of Assistance	Remarks
1	Financial assistance for farm machinery banks with minimum 8 farmers per bank	Upto 10 lac Rs. per farm machinery bank	80% of the cost of farm machinery bank	<b>Component 6 (SMAM)</b>

**5. NATIONAL FOOD SECURITY MISSION (NFSM):**

NFSM is a centrally sponsored scheme, launched in Oct'2007 with the objective of increasing production of rice, wheat, pulses and coarse cereals through area expansion and productivity enhancement in a sustainable manner in the identified districts of the country.

**In 12<sup>th</sup> Five year plan under the NFSM, cropping system approach adopted by including commercial crops like Cotton, Jute and Sugarcane to meet the demand for both food and cash crops.**

NFSM – Commercial crops (Sugarcane) will be implemented by Department of Agriculture & Cooperation through Directorate of Sugarcane development, Lucknow. The programme will be implemented in all major Sugarcane growing states. Other non - traditional states may also be covered on the basis of their potential.

**Pattern of Assistance:**

S.No.	Component	Unit cost (inr)	Implementing agency
1	Demonstration on intercropping with sugarcane and single bud technology (cluster of 10 hectares)	Rs. 9000/Hect (Rs.8000/Hectare for inputs and Rs. 1000/Hect contingency)	ICAR/SAUs/NGOs/ Cooperatives/ State Deptt. of Agriculture
2	Assistance for Breeder seed production	Rs. 40,000/Hect (Rs.34,000/Hectare for inputs and Rs. 6000/Hect contingency)	SAUs/ ICAR/ Sugarcane Research Institutes
3	Production of tissue culture raised plantlets/seedlings	Rs. 3.50 per seedling	Sugarcane institutions, <b>sugar factories</b> , NGOs
4	Strengthening/establishment of bio agent and tissue culture labs	50% cost limited to Rs. 75 lac per lab	Sugar factories/ SAUs/ICAR/ Sugarcane Research Institutes
5	Distribution of plant protection chemicals and Bioagents	Rs. 500/ Hect or 50% of the cost, whichever is less	SDA/ ICAR

All the components of NFSM – Commercial crops will be 100% funded. The funds will be released by DAC, Ministry of Agriculture to the implementing agencies with the approval of NFSMEC (National Food Security Mission Executive committee).

## **6. AGRICULTURE INSURANCE SCHEMES**

### **A). PRADHAN MANTRI FASAL BIMA YOJANA (PMFBY)**

The new Crop Insurance Scheme is in line with One Nation – One Scheme theme. It incorporates the best features of all previous schemes and at the same time, all previous shortcomings / weaknesses have been removed. The PMFBY will replace the existing two schemes National Agricultural Insurance Scheme (NAIS) as well as the Modified NAIS

#### **Objectives:**

1. To provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests & diseases.
2. To stabilise the income of farmers to ensure their continuance in farming.
3. To encourage farmers to adopt innovative and modern agricultural practices.
4. To ensure flow of credit to the agriculture sector.

#### **Highlights of the scheme:**

- There will be a uniform premium of only 2% to be paid by farmers for all Kharif crops and 1.5% for all Rabi crops. In case of annual commercial and horticultural crops, the premium to be paid by farmers will be only 5%. The premium rates to be paid by farmers are very low and balance premium will be paid by the Government to provide full insured amount to the farmers against crop loss on account of natural calamities.
- There is no upper limit on Government subsidy. Even if balance premium is 90%, it will be borne by the Government.
- Earlier, there was a provision of capping the premium rate which resulted in low claims being paid to farmers. This capping was done to limit Government outgo on the premium subsidy. This capping has now been removed and farmers will get claim against full sum insured without any reduction.
- The use of technology will be encouraged to a great extent. Smart phones will be used to capture and upload data of crop cutting to reduce the delays in claim payment to farmers. Remote sensing will be used to reduce the number of crop cutting experiments.
- PMFBY is a replacement scheme of NAIS / MNAIS, there will be exemption from Service Tax liability of all the services involved in the implementation of the scheme. It is estimated that the new scheme will ensure about 75-80 per cent of subsidy for the farmers in insurance premium.

#### **Farmers to be covered:**

All farmers growing notified crops in a notified area during the season who have insurable interest in the crop are eligible.

**Compulsory coverage:** The enrolment under the scheme, subject to possession of insurable interest on the cultivation of the notified crop in the notified area, shall be compulsory for following categories of farmers:

- Farmers in the notified area who possess a Crop Loan account/KCC account (called as Loanee Farmers) to whom credit limit is sanctioned/renewed for the notified crop during the crop season. and
- Such other farmers whom the Government may decide to include from time to time.

**Voluntary coverage:** Voluntary coverage may be obtained by all farmers not covered above, including Crop KCC/Crop Loan Account holders whose credit limit is not renewed.

**Calendar of activity:**

Activity	Kharif	Rabi
Loaning period (loan sanctioned) for Loanee farmers covered on Compulsory basis.	April to July	October to December
Cut-off date for receipt of Proposals of farmers (loanee & non-loanee).	31 July	31st December
Cut-off date for receipt of yield data	Within a month from final harvest	Within a month from final harvest

**PREMIUM RATES:**

S.No	Season	Crops	Maximum Insurance charges payable by farmer (% of Sum Insured)
1.	Kharif	Food & Oilseeds crops (all cereals, millets, & oilseeds, pulses)	2.0% of SI or Actuarial rate, whichever is less
2.	Rabi	Food & Oilseeds crops (all cereals, millets, & oilseeds, pulses)	1.5% of SI or Actuarial rate, whichever is less
3.	Kharif & Rabi	Annual Commercial / Annual Horticultural crops	5% of SI or Actuarial rate, whichever is less

**B) WEATHER BASED CROP INSURANCE SCHEME (WBCIS):**

The structure of farmer's premium under WBCIS will be at par with the proposed **PMFBY**. Also, the Criteria of selection of Implementing Agency and area allocation will be same as **PMFBY**.

## **References:**

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3. Operational Guidelines of Per Drop More Crop (Micro Irrigation) Component of PMKSY 2017, Government of India, Ministry of Agriculture & Farmers Welfare, Department of Agriculture, Cooperation & Farmer Welfare, Division of Rain-fed Farming System (RFS), Krishi Bhavan, New Delhi.
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6. Operational Guidelines (2018-19 to 2019-20), (August, 2018), Re-vamped National Food Security Mission (NFSM), Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India, Krishi Bhawan, New Delhi-110001.
7. Pradhan Mantri Fasal Bima Yojana (PMFBY), <https://agri-insurance.gov.in/Pmfby.aspx>.