
A New Deal for Indian Farmers

Free farmers from debt & invest in productivity

Objective

- To free our farmers from the burden of debt and augment fresh credit flows from banks and cooperative societies
- To increase investment in agriculture, provide productive inputs to boost agricultural production, increase farmers' incomes and ensure food security

What was done?

- A debt waiver and relief scheme of more than Rs. 65000 cr. launched. All overdue loans of 3 crore small and marginal farmers waived. 25% relief has been provided to over 60 lakh other farmers.
- Credit flows to farmers increased threefold to Rs. 2,43,000 crore in four years.
- Established a remunerative price policy. Minimum support prices of most agricultural commodities like wheat, paddy, cotton, rapeseed/ mustard, jowar, maize, etc. raised sharply to encourage our farmers.
- The Rs. 25000 cr. Rashtriya Krishi Vikas Yojana, a major, participatory programme to boost investment in agriculture launched. District and State specific agriculture development plans for an investment of Rs 4666 crore approved and Rs 3110 crore released.
- Rs. 5000 crore programme called (the National Food Security Mission) launched to increase the production of rice, wheat and pulses by 1cr., 80 and 20 lakh tonnes respectively, by the end of the XI Plan. The plan covers 5 cr. hectare of arable land and about 4 cr. farm families. 1500 crore released to the States.
- Fertilizer prices retained at 2002 level despite sharp increase in import and production costs. Rs.1 lakh crore will be spent on fertilizer subsidy in 2008-09 alone.

What was achieved?

- Agricultural production grew by 4.5% in 2007-08.
- Production of major crops increased since 2004. For wheat from 68 million tonnes to 78 million tonnes in 2008, in the case of rice from 83 million tonnes to 96 million tonnes in 2008, in the case of cotton from 164 lakh bales to 258 lakh bales in 2008 and in the case of soyabean from 68 lakh tonnes to 99 lakh tonnes in 2008.

- Through this farmer-first policy, record production of 230 million tonnes of foodgrains achieved in 2007-08.
- Our buffer stocks are full. Strategic reserve of 5 million tonnes of rice and wheat to deal with unforeseen events.