

**MINUTES OF MEETING OF HON'BLE UNION AGRICULTURE MINISTER WITH
STATE GOVERNMENT MINISTERS OF AGRICULTURE AND CO-OPERATION
ON 10.07.2020 THROUGH VIDEO CONFENCING**

The meeting of Hon'ble AM with state government Ministers of Agriculture and Co-operation was organized by Department of Agriculture, Cooperation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India through Video Conferencing on 10th July 2020 at Krishi Bhawan, New Delhi. State Agriculture and Co-operation Ministers, senior officials of the Ministry, states and union territories participated through video calling. List of participants is attached as Annexure I.

The Conference was inaugurated by **Shri Narendra Singh Tomar**, Hon'ble Minister of Agriculture and Farmer Welfare. Shri Parshottambhai Rupala, Hon'ble MoS (A&FW and PR) and Shri Kailash Choudhary, Hon'ble MoS (A&FW) also graced the occasion.

At the outset, Shri Sanjay Agarwal, Secretary, DAC&FW extended heartiest welcome to the Hon'ble Union Ministers, Ministers from states, Special Secretaries and Joint Secretaries present in the Conference Room and Officers of DAC&FW, representatives of states and union territories. Hon'ble AM released a publication on operational guidelines entitled, "Formation and Promotion of 10,000 Farmers Producer Organisations". The publication will prove handy for the state officials in implementing the new scheme on FPOs.

Sh Vivek Aggarwal, JS (FW, Cooperation and Digital Agriculture) & CEO, PM-KISAN, made a presentation on the progress of PM-KISAN Programme. He urged states that advance lots are open and RFPs should be signed to enable payment of the next instalment of PM Kisan from 1.8.2020 onwards. He informed that about 9 crore farmers were paid 1st installment this year but 49,18,561 farmer's payment is pending lacking Aadhar verification. Stop payment data also needs to be verified by State Government. Online facility for registration of farmers is being utilized by beneficiaries but approval of state government is pending for 98.34.335 farmers. States need to verify data on priority to make it possible to release the installment.

Sh Agarwal also presented recently announced Agricultural Infrastructure Fund (AIF) scheme worth Rs 1 lakh crore for 4 years. Under the scheme, funding will be available for creating facilities for cold storage, warehouse, packaging, ripening & waxing plants. Projects in PPP mode promoted by central, state and local government, community farming and projects on Hub and Spoke Model will be funded. A 3% interest subvention will be given on bank interest making loan with effective interest rate in the range of 5.0 to 5.5%. Tentative allocation to the states have made on the basis of total value of output of the state from agriculture and allied sectors.

Shri P.K. Swain, Joint Secretary (Marketing) made a presentation on Formation of 10,000 Farmers Producer Organisations (FPOs). Each FPO should have minimum 300 members in plain areas and 100 farmers in the NE and Hilly states to be eligible for assistance. These can either be registered under Company Act or State Cooperative Societies act and 15% will be formed in Aspirational Districts. These will also focus on One District One Product programme. Cluster Based Business Organisation will be aggregating and landholdings FPOs with legal and technical support. Each FPO will be eligible for matching Equity Grant Facility up to Rs 15 lakh and Credit Guarantee Facility up to Rs 2 crore. States were requested to constitute State Level Co-ordination and District Level Monitoring Committees and help in identification of clusters.

Dr. Ashish Kumar Bhutani, JS (Credit) and CEO, PMFBY informed about special drive taken for Kisan Credit Card (KCC) saturation in February 2020. Under the Abhiyan, 95 lakh applications were submitted and loan has been disbursed to 68 lakh farmers. Under KCC farmers are given up to Rs 3 lakhs short term loan at 4% interest rate. Animal husbandry farmers can avail loan up to Rs. 2 lakhs. Government has raised limit of collateral free loan from Rs.1.0 to 1.6 lakhs and processing fee has been waived off. KCC accounts have been opened for 6.67 crore farmers against 14.5 crore total land holdings in the country. Large numbers of farmers benefitting under PM-KISAN are not having KCC account. States need to launch awareness campaign and provide necessary support to enroll these farmers and achieve a target of 2.50 crore farmers this year.

Shri Narendra Singh Tomar, Hon'ble AM, exhorted all states to fully utilize the opportunity provided by revolutionary schemes of Agriculture Infrastructure Fund and Farmers' Producer Organisation. These two schemes have been launched to organize small farmers and make large investment in agriculture sector. With these interventions, farmers will reduce post harvest losses and generate more benefits. Central and state government have created large infrastructure for cold storage, warehousing etc. Still large losses of vegetables and other products are occurring due to inadequacy of facilities. We need to fill these gaps with the funding available in these two programmes.

Sh. Sanjay Aggarwal, Secretary, DAC&FW invited State Ministers to give their feedback, opinions and suggestions. All Ministers, on behalf of farmers of their State, thanked Hon'ble Prime Minister and AM for launching these farmer friendly mega schemes. The progress, suggestions and clarifications sought by the Ministers are summarized state-wise in **Annexure II**.

Hon'ble AM Sh Tomar Ji expressed happiness for interest shown by State Ministers in the day's deliberations. Issues raised by State have been recorded for consideration by the Ministry. These will be considered and decisions taken will be communicated to the concerned states. He thanked all the states for their participation.

The meeting ended with thanks to the Chair, participating State Ministers and officials of the central and state governments.

.Annexure II

Specific progress, opinions, suggestions and clarifications sought by the Ministers of different States and Union Territories.

Karnataka

1. 334 FPOs already formed in the state and FPOs formation will be taken in big way for doubling farmers' income.
2. For KCC saturation, special 30 day campaign will be launched in all 30 districts.
3. Investment in Food Processing Infrastructure is required in the state.

Haryana

1. The State already has 415 Horticulture Clusters with budgetary support from the state scheme.
2. KCC saturation drive has already been completed
3. State has large scope for Animal Husbandry and special efforts will be made to enroll animal husbandry and fisheries farmers for KCC accounts. A 100 day drive will be taken-up for this.
4. The state is very enthusiastic about utilizing opportunities created by the A I F.

Uttar Pradesh

1. State has a target of 1000 FPOs with at least 2-3 in each district. There will be special effort made for aspirational districts. SLEC has already been set-up by the state.
2. 27 lakh farmers were enrolled under KCC saturation but only 10 lakhs applications were approved.
3. Banks should help farmers in acquiring KCC. State government will help farmers in producing necessary land records.
4. NABARD should set up an online dashboard for KCC.

Maharashtra

1. Pending cases of PM-KISAN should be settled on priority. Of the 1.52 crore accounts in the state only 89 lakh have received 5 instalments of PM-KISAN.
2. Existing FPOs are doing good work and should be included for funding under the new FPO scheme.
3. State is giving interest subvention of 4% on KCC loan up to Rs 1.0 lakh. Thus farmers get KCC loan at zero interest. Centre should contribute in ensuring that farmers get loan at 0% interest upto an amount of Rs 3.0 lakh.
4. Maharashtra will utilize AIF for strengthening its Balasaheb scheme on value addition to increase farmers' income.

Gujarat

1. Gujarat contributes to remaining interest subvention of 4%. Thus state farmers get KCC loan at an effective zero percent interest.
2. The state has 36 lakh animal husbandry farmers for which KCC applications are being collected for approval at the earliest.
3. 200 FPOs have already been registered and more will be constituted soon.

Telangana

1. Telangana has only two aspirational districts in Northern part. Two backward districts of Southern part should also be considered for inclusion under Aspirational list.
2. State has grain storage capacity of 40 lakh metric tonnes to meet requirement caused by increased agricultural production. Individual farmers are given support for construction of paddy platforms. Facility under FPOs scheme should also be extended to individual farmers for creating additional storage and PHT facility.
3. 400-1000 acre land is being acquired for establishing Food Processing Units in clusters & SEZ. Agriculture Infrastructure Fund will be integrated with these units.
4. A lot of irrigation potential through the Kaleshwaram Project has been created and the horticulture sector is being given special emphasis. The Centre should announce a special package for development of horticulture in the state.
5. All targets for saturation of KCC in the state will be met.

Bihar

1. 32 FPOs have already been constituted and more will be constituted covering all 532 blocks.
2. 3.50 lakh farmers were enrolled for KCC special drive but loans were approved for about 70000 farmers. Banks need to play a proactive role specially for AH & D farmers.

Kerala

1. A small portion of funding for post-harvest and storage should be given as subsidy under AIF.
2. Existing FPOs are facing problems of working capital. Mechanism should be evolved to address problems of old FPOs under the programme. Kerala has notified a new policy for FPOs.
3. About 90 lakh farmers getting support under PM-KISAN don't have KCC accounts. Joint campaign with banks will be taken to enroll these farmers in 2020 itself.
4. Collateral free loans should be provided for upto a limit of Rs. 3.5 lakhs.

Uttarakhand

1. Land for facilities creation under FPOs is not available with small and marginal farmers. So, land cost should also be included as project cost for funding.

2. Block level local representative should be included in district level monitoring committees for effective implementation of new schemes.
3. Special programme be launched for Himalayan hill states looking in to geographical setting and small land holdings.
4. Hill states grow many commodities within a district. So promotion of single product in hill district may not completely address the problem. The herbal sector should also be encouraged.
5. The new FPO scheme should also address the issues of existing FPOs.
6. Instead of only crop loans, medium term loans may be made available to farmers.
7. An ambitious Integrated Model Village Scheme has been launched by the state.

Punjab

1. State will finalize FPOs formation in next meeting to be held shortly.
2. Spread of KCC among animal husbandry and fish farmers is less in state and effort will be made for their enrollment under KCC saturation.
3. Punjab is very progressive state and will utilize AIF for infrastructure development.

Chhattisgarh

1. Out of 15 lakh farmers enrolled under special drive, 9 lakh loans were approved. More efforts will be made by state with banks for approval of pending cases.
2. 10 FPOs already in operation and more will be formed.
3. State is establishing Maize Processing Plant in Bastar division under RKVY.

Rajasthan

1. 274 FPOs have already been formed in the state.
2. Locust attack has spread in many states including Rajasthan. It should be declared as a National Disaster.
3. Pending payments under PMFBY should be arranged by Insurance companies and the issues resolved on priority.

Manipur

1. 8000 pending cases for KCC saturation have been sent to the banks for approval.
2. 6 FPOs under MOVCDNER have been constituted in the state under the Companies Act and more will be formed in all 16 blocks.
3. SLEC for FPOs has been formed.
4. Detailed guidelines for two newly launched schemes may be provided to the states for effective implementation and monitoring.

Sikkim

1. State and District Level Committees have been constituted by the state for FPO programme.
2. Network problem inhibits online application submission for PM-KISAN.
3. State has 3 growing seasons and hence promotion of ODOFP in each district will not solve the problem.
4. Sikkim is an organic state and fertilizers subsidy was discontinued. State farmers should be given subsidy for purchase of organic manures, bio-fertilizers and other inputs.
5. Separate guidelines should be developed for the Himalayan states as land holding is very small compared to plain regions.
6. Promotion of medicinal plants will be very useful.

Arunachal Pradesh

1. Hill states need separate guidelines for the central schemes like 100 farmers requirement for FPO formation rather than 300 nos in plains.
2. 21 Farmers' Processing Group and 50 FPCs under Krishi Samooh Yojana will be converted to FPOs
3. Lack of land records in NEH states is a major cause of loan rejection by banks for KCC and other purposes. National Banks should adopt the guidelines developed by State Marketing Boards for collateral guarantee.
4. State ranks first in Kiwi production and the commodity will be supported under Cluster Based Business Organisation.
5. State has submitted two projects on crop damages for consideration of the centre. These should be considered for approval to help the needy farmers.