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Agricultural Investment In The Niti Aayog Period

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ABSTRACT

The output and productivity of an agricultural land are directly correlated with original natural fertility of the soil and based on geographical nature of the region. The old traditional method of cultivation is slowly altered and modified due to impact of drastic climate change on the agrarian economy. A large amount of money is to be pumped at any moment of time into agricultural land, to withstand and destabilize the effect of climate change on the agricultural sector. The system of implementing investment through five year plans lost its momentum in the present scenario. A new institution gave birth in 2015 in the name of NITI AAYOG to replace the 66 year old planning commission. It caters to the needs of investment in each year according to prevailing circumstances and situations. Investment in the successive years is to be increased or decreased based on last year achievements and short falls. Hence agricultural investment is to be enhanced each year through various central and centrally sponsored schemes to concentrate more on agricultural activities. The present study focus to analyse the pattern, volume and trend of agriculture investment made and implemented in the NITI AAYOG period from 2017 to 2024.

Keywords: Climate change, Five year plan, Agricultural investment, NITI AAYOG, Central Schemes, Centrally sponsored schemes.

INTRODUCTION

Agricultural activity in the present modern era is more attractive and profitable due to rapid and cheap communication facilities spread all over the region. Immediate information and incidence reach the huge masses of people within a short span of time. It led to the dominance of agricultural sector in the present dynamic economy. Actually land is a purely a passive factor. If money is diverted into land as an agricultural input, land activates itself to become an active factor. It flourishes the economy with stable food security and lead to sustainable agricultural development. So to boost the agriculture investment in each year, a growth oriented institution was set up. NITI AAYOG as a substitute to planning commission emerged in 2015. It diverted and routed money through various central and centrally sponsored schemes. Agriculture is a yearly and monthly occupation purely depends on seasons and monsoons. Investment is very much needed at frequent intervals in a short period and at the right needy time. So agricultural investment in each year is to be taken care as top most priority. The present study capture the effect of agricultural investment implemented during the NITI AAYOG period in each year since 2017 to 2024.

THEME OF THE STUDY

Agriculture is the best private occupation since its origin and growth. Every land owner act independently as an individual sole proprietor for his own valuable asset. To feed the land with agricultural inputs at the right time, agricultural investment is to be strengthened and streamlined. Government public investment in agriculture started in 1951 through five year plans implemented by planning commission. Twelve five year plans have been completed and implemented during the 66 years from 1951 to 2017. It paved the way to lay a strong foundation to proceed further in the maintenance of sustainable development in the agricultural sector. In 2018, NITI AAYOG took the responsibility of disbursal of agricultural investment in each year through various central and centrally sponsored schemes. It motivated and activated the agriculture landlords to concentrate more on agricultural activities in the present decade. The study is focus to analyse and bring feedback about impact and effect of new method of disbursal of agricultural investment offered through various schemes and programmes. The study is purely based on secondary data collected from various government and official agencies. The period of study is confined to the year from 2017 – 18 to 2024-25 since NITI AAYOG was actively implemented from 2018.

OBJECTIVES OF THE STUDY:

1. To study the growth and trend of agricultural investment in the NITI AAYOG period from 2017 to 2025.
2. To study the allocation pattern of agricultural investment in various central and centrally sponsored schemes during this period.
3. To study the various modifications and new implementation of modern agricultural programmes in the current period.

ROLE OF NITI AAYOG – IN AGRICULTURAL INVESTMENT

A New institution at the centre to focus dynamic planning emerged as a substitute to planning commission. It came in to effect on 16th February 2015 as a state of the art resource centre, to act with speed, promote research and innovation provide strategic policy vision for the government and deal with contingent issues. Full-fledged activities of NITI AAYOG include

- a) Policy and programme framework.
- b) Co-operative federalism
- c) Monitoring and Evaluation
- d) Think, Tank and knowledge and innovation Hub.

NITI AAYOG started its momentum of action and planning from the year 2018, after the end of 12th five year plan in 2017. Since 2018, lot of policies and programmes were implemented in the agricultural sector to sustain and boost agricultural production and productivity.

Modern Agricultural department in NITI AAYOG Period:

In the modern agriculture dynamic economy, two major departments play an active role under the Ministry of agriculture and farmer's welfare, to sustain and maintain constant growth in agricultural sector.

- 1) DAC & FW – Department of agricultural & co-operation and farmers welfare.
- 2) DARE – Department of Research and Education
- 3) Another minor department DAHDT – Department of Animal Husbandry, Dairying and fishing also contribute its share in the agricultural sector.

DIVERSIFICATION OF AGRICULTURAL INVESTMENT IN VARIOUS CENTRAL AND CENTRALLY SPONSORED SCHEMES.

Agricultural investment in NITI AAYOG period is largely diversified and spread over different programmes and schemes to cover all small, marginal and medium cultivators and farmers. In the department of agriculture co-operation and farmer's welfare of the Ministry of agriculture and farmer's welfare, funds are diverted and routed through 3 modes.

- a) Crop Husbandry – 64 percent
- b) Agricultural financial institutions – 14 percent
- c) Grants-in-aid- to state government- 11 percent

In the department of agricultural research and education of the MOAFW, funds in greater amount are diverted for agricultural research and education.

In the agricultural departments, there are 9 central sector schemes and projects, and 20 centrally sponsored schemes to divert the funds to maintain and sustain agricultural expansion and growth for the ever- increasing population.

In each and every year, agricultural investment is allocated to various central and centrally sponsored schemes to attain self-sufficiency of food grains and to boost agricultural exports.

Agricultural Development in Niti Aayog period.

Ministry of Agriculture and Farmer's Welfare monitors two major departments to strengthen and sustain the growth of agricultural sector in modern scenario.

Department of Agriculture Cooperation and Farmer's welfare. It aims to implement various central and centrally sponsored Schemes and programmes mainly related to welfare of the Farmers and manages agricultural inputs.

2) Agricultural Research and Education.

It activates, Co-ordinates and promotes agricultural research and education to incorporate the agricultural field to maximize productivity and production in a limited land area.

TABLE 1:

AGRICULTURAL INVESTMENT IN THE NITI AAYOG PERIOD

Year	DAC & FW (Department of Agriculture, Cooperation and Farmer's Welfare) (in Cr)	DARE (Department of Research Education) (in Cr)	Total Agricultural Investment (in Cr)
2017-18	37539	6990	44529
2018-19	48584	7944	56528
2019-20	94593	7845	102438
2020-21	108273	7554	115827
2021-22	114468	8368	122836
2022-23	998077	8400	108277
2023-24	116789	9877	126666
2024-25	122529	9941	132470

- Source :**
1. Pocket book of Agricultural statistics-2020
 2. Agricultural statistics at a glance 2021
 3. Ministry of Agriculture and Farmer's welfare
 4. Budget documents, ministry of finance
 5. Prsindiaorg /budgets various years

As noted in Table 1, In the year 2017-18, only 44529 crores were allocated.

It increased to 1,32,470 crores in 2024-25, an increase of around 297 percentage for vast expansion and development of agricultural Sector. 90 percent funds is diverted for Agriculture, Co-operation and Farmer's welfare 10 percent allocation is diverted to agricultural research and education.

As noted in Table 2, highest allocation of agricultural investment is disbursed for PM Kisan Samman Nidhi Scheme among central sector schemes.

TABLE 2:
**INCREASED AGRICULTURAL INVESTMENT IN CENTRAL AND CENTRALLY
SPONSORED SCHEMES**

Amount in (crores)

Major Central Sector Schemes	2018-19 (Cr)	2019-20 (Cr)	2020-21 (Cr)	2021-22 (Cr)	2022-23 (Cr)	2023-24 (Cr)	2024-25 (Cr)
Pradhan Mantri Fasal Bima Yojan	11937	12639	15307	13549	10296	15000	14600
Modified Interest subvention scheme	11475	16219	19834	21477	17988	18500	22600
PM Kishan Samman Nidhi Scheme	1241	48714	65000	66825	58254	60000	60000

Source :

1. Pocket book of Agricultural statistics-2020
2. Agricultural statistics at a glance 2021
3. Ministry of Agriculture and Farmer's welfare
4. Budget documents, ministry of finance
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**OUTLAY AND ACHIEVEMENTS FETCHED FROM VARIOUS
CENTRAL AND CENTRALLY SPONSORED SCHEMES DURING
NITI AAYOG PERIOD.**

Types of Central sector Schemes:

1. Pradhan Mantri Fasal Bima Yojana.
2. Modified Market Interest Intervention scheme.
3. Pradhan Mantri kisan Samman Nidhi Scheme
4. Pradhan Mantri Annadata Aay Sanrakshan Yojana.
5. Pradhan Mantri kisan pension Yojana
6. Farmer produces organisations
7. Kisan Credit Card Scheme
8. Interest subsidy for short-term credit to Farmers.

Types of Centrally sponsored Schemes:

1. Pradhan Mantri krishi Sinchai Yojana
2. Rashtriya Krishi Vikas Yojana.
3. Paramparagat Krishi Vikas Yojana.
4. National Food security mission
5. National project on Soil Health and Fertility.
6. National Mission on Horticulture.
7. Rain fed Area Development and Climate Change
8. National Bamboo Health mission
9. National mission on oil seed and oil palm
10. National project on organic farming
11. Krishionnati Yojana

1) PRADHAN MANTRI BIMA YOJANA.

PMFBY is a crop Insurance scheme introduced as an Important Central Sector scheme in 2016 to provide Insurance amount for the crops damaged due to Unexpected and unforeseen natural disasters and drought conditions. It is being carried out till now to cater the needs of agricultural cultivators. Every year allocation for this scheme is increased due to good response from farmers. The PMFBY and Restructured weather Based Crop Insurance (RWBCIS) jointly provide farmers with affordable Crop Insurance against non-preventable natural risks from the pre-Sowing stage to post-harvest stage. The scheme is voluntary to farmers since 2020, under this scheme; farmers are made to pay a premium of 2 percent for Kharif crops, 1.5 percent for Rabi crops, and 5 percent for horticulture crops of the sum Insured. States and Central government Share the premium burden equally. Rs.13549/- Crores were spent in 2021-22. In 2023-24 Rs.13625/- Crore is allocated to this scheme.

2) MODIFIED INTEREST SUBVENTION SCHEME.

Interest subsidy for short term Credit to farmers.

Interest subsidy for short term credit to farmer's scheme was restructured in 2022 as a modified Interest Subvention Scheme. Under MISS, 3 lakh agricultural loan is being disbursed at 7 percent interest per annum. 3 percent subvention is returned to prompt borrower for his regular and prompt payment. It contributes around 15 percent of agricultural investment.

The Scheme was modified as MISS in 2022 to include public sector banks, regional rural banks and co-operative banks to provide with 15 percent interest subvention from 2022-23 to 2024-25. The government launched the Interest Subvention scheme in 2006-07 to provide short-term agricultural loans up to 3 lakhs at an annual interest rate of 7 percent for farmers engaged in agriculture and allied activities.

3) PRADHAN MANTRI KISAN SAMMAN NIDHI SCHEME.

Pradhan Mantri Kisan Samman Nidhi Scheme is a Central sector scheme launched in 24th February 2019 to supplement the financial needs of farmers PM Kisan is also called as direct benefit Scheme since central government directly deposit the amount into the bank of a landlord. Rs.6000/- per year is being deposited in 3 equal instalments of Rs 2000 in each quarter of a year. It is the largest scheme and highest allocation around 48 percent (Rs 60000 Crores per annum) is being disbursed all over India to all land owners. PM Kisan got operationalized in December 2018 and it aim to enable farmers to procure inputs to ensure crop health and yield. It is currently applicable to all land holding farmer families irrespective of the size of land holdings. In 2021-22, an amount of Rs.66825/- crores is disbursed to land owners through PM kisan Scheme. In Dec 2021-March 2022 -1041 lakh people are gifted with this amount to activate and perform agricultural production.

In 2018 and 2019-20, around 3 crores and 9 crore beneficiaries respectively received the amount, Between 2020-21 and 2022-23, about 10 crore beneficiaries are covered under this scheme. In feb 2019,

only land owner having 2 hectares are eligible. but in May 2019 the scheme was expanded to all land owners irrespective of the Size of the holding.

In 2022-23, It is mandatory to seed the land with Aadhar and bank account to avail the benefit. So in the successive periods, benefits are attained only by reputed land owners only.

4) PRADHAN MANTRI ANNADATA AAY SANRAKSHAN YOJANA (PM-AASHA)

In September 2018, PM- AASHA Scheme was introduced to procure the crops from farmers. This scheme provides States with the option to opt for another procurement mechanism (price deficiency payment system). Under this mechanism no physical procurement of crops is followed. Direct payment of the difference between the MSPS and the selling/model prices of the crops to be deposited for pre-registered farmers.

5) PRADHAN MANTRI KISAN PENSION YOJANA (PMKMY)

Pradhan Mantri kisan Maan Dhan Yojana

Introduced in 2019 as a central sector scheme to offer pensions to small and marginal farmers those who are in possession of cultivable land of up to 2 hectares. A monthly pension amount of Rs.3000/- is deposited in a bank as a sense of gratitude to all cultivators for their long-standing devotion to the agricultural sector in providing food to the nation. In 2023-24, 100/- crores is allocated, and 18.8 lakh farmers have registered and benefitted out of this scheme.

6) FORMER PRODUCER ORGANISATIONS.

Farmer producer organisations is a central sector Scheme Introduced in 29th February 2020 to 10000 FPOS are to be opened with an allocation budget of Rs.6865/- crore till 2027-28. FPOS are implemented through 14 agencies including NABARD, SFAC, NAFED. 9180 FPOS are registered till date.

ACHIEVEMENTS OF AGRICULTURAL INVESTMENT THROUGH CENTRALLY SPONSORED SCHEMES.

1) RASHTRIYA KRISHI VIKAS YOJANA

RKVY was introduced in 2007 to ensure Logistic development of agriculture and allied sectors. It is a long-standing centrally sponsored Scheme that enables States to choose and decide this own agricultural development in their own region as per there goals and aims and plans.

In 2022-2023 RKVY was restructured to include other schemes under one umbrella...

Various schemes Comes under RKVY:

1. Pradhan Mantri Krishi Sinchai Yojana
2. Paramparagat Krishi Vikas Yojana.
3. National project on soil and Health Fertility.
4. Rainfed Development and climate change.
5. Sub mission on Agriculture mechanisation.
6. Crop residue Management

Between 2019-20 and 2021-22, projects work Rs.518/- crores have been approved across 18 states. In 2023-24, Rs.7150/- Crores is being allocated under RKVY to transfer to states and UTS.

With the aim of making farming a remunerative economic activity, this scheme provides financial assistance to activity states for these developments.

1. Pre-harvest and post-harvest Infrastructure.
2. Value addition using Agri business models.
3. Projects based on local and national priorities.

2) PRADHAN MANTI KRISHI SINCHAI YOJANA

PMKSY - Pradhan Mantri Krishi Sinchai Yojana launched in 2015 to increase the coverage of the area under Irrigation. It was implemented as "per Drop more Crop" scheme to increase water efficiency through micro Irrigation. It introduced various micro-irrigation techniques to recommend the farmers to shift from traditional to new micro- irrigation systems. Drip or sprinkler irrigation systems to be followed to conserve water. 60 lakh hectares of land area is being covered under this Micro- irrigation scheme. This scheme provide marginal farmers with financial assistance work 55 percent of the cost of Installing micro-irrigation systems. Between 2015-16 and 2021-22 an area of 67.46 lakh Hectare, are covered under Micro-Irrigation.

3) PARAMPARAGAT KRISHI VIKAS YOJANA

The Paramparagat Krishi Vikas Yojana (c launched in 2015, is an extended component of Soil Health Management (SHM): It is a centrally Sponsored scheme under National mission on Sustainable Agriculture. PKVY aims to support and promote organic farming to increase the quality of the soil. It aims to increase soil fertility and helps in production of healthy food through organic practices without the use of agro-chemicals.

4) SOIL HEALTH CARD SCHEME

The Soil Health Card scheme installed in 2015 to provide farmers about the quality of soil in their own land by testing the soil through technological techniques. The Scheme furnishes valuable information to put best required nutrients in the soil to improve its soil health and fertility.

Farmers are issued soil health Cards, which contain information about nutrient status of Soil and recommended dose of nutrients to be added to improve its fertility.

Rs.315/- have been allotted for National project on Soil Health and Fertility in 2020-21, a 102 percent increase over 2019-20. In the 1st cycle (2015-17) of the scheme, 10-74 crore soil health cards are provided.

5) KRISHONNATI YOJANA.

The Krishonnati Yojana implemented since 2016-17, is an umbrella scheme for the agriculture sector in India. It combines multiple schemes and missions.

Aims of the scheme are as follows:

- 1) Improve the agriculture and allied sector in a scientific and holistic manner.
- 2) Increase farmer income by improving production, Productivity and good returns on produce. It also includes the sub-mission on seeds and planting material (SMSP) to increase the production of Certified or quality seed and promote new technologies and methodologies in seed production, processing and feshing.

LATEST ADDITION OF AGRICULTURAL PROGRAMMES IN NITI AAYOG PERIOD

1) Setting up of Agriculture Infrastructure Fund

AIF was launched in 2020, with an allocation of one lakh crore, to provide medium to long term debt financing for post-harvest management and community farming Infrastructure projects. AIF has sanctioned Rs 51364/- crore for 84159 projects including warehouses, processing Centers, cold storage and post harvest facilities. It offers Interest subvention of 3 per cent per annum on loans up to 2 crores for up to 7 years and credit guarantee coverage for loans up to 2 crore through CGTMSE Scheme. AIF enhance agricultural Infrastructure to reduce input costs, improve productivity and increase farm incomes to sustain agricultural development.

2) Setting up of e-NAM platform

e-NAM- Electronic National Agricultural Market was launched in 2016 to provide farmers with remunerative prices for their product through a transparent online competitive bidding system. It is an electronic trading portal to connect the existing APMC mandis to create a unified national market.

3) Digital Agriculture mission.

In 2023-24, Digital public infrastructure for agriculture was installed. The Digital Agriculture mission approved on 22nd Sep 2024, with an allocation of Rs 2817/- crore is as good Initiative It includes 3 PPI.

1. Agni stack
2. Krishe Decision support system (DSS)
3. Soil profile mapping.

4) Nammo Drone Didi Scheme

Nammo Drone Didi Scheme is a central sector scheme to provide drones to 15000 women self Help groups with an allocation of Rs.1261/- crores. It offers rental services to farmers to apply fertilizers and pesticides. 500 drones are lended in 2023-24. Remaining 14500 drones to be distributed in 2024-25 and 2025-26, to offer sustainable business opportunities to WSHGS to earn Rs 1 lakh annually.

5) SHC

6) Promotion of National farming.

It is a centrally sponsored scheme to promote natural farming across the country installed in with an budget allocation of Rs.2481/- crores.

7) Extension Reforms Scheme ATMA (ATMA Scheme),.

ATMA, a centrally sponsored scheme implemented in 739 districts of 28 states and 5 UTS of our country. It promotes decentralized and farmer friendly extension system in the country. It supports State government to make available latest agricultural technologies and good agricultural practices in different thematic areas of agriculture through extension activities like Farmer's training Demonstrations, Exposure visits, Kisan mela, mobilization of Farmer's groups and organizing farm schools.

VARIOUS MISSIONS SET UP TO BOOST IN AGRICULTURAL PRODUCTION

1. National Food security mission.

National Food security mission was launched in to expand 2007-08 to increase the production of rice, wheat and pulses. It is a centrally sponsored to expand 3 major crops through 1) area expansion and productivity, opportunitis enhancement, 2) restoring soil fertility and productivity 3) enhancing farm level economy, 4) creating employment opportunities.

2. National mission on Horticulture

National mission on Horticulture was launched in 2005-06. It aims to develop and enhance horticulture production, and productivity, enhancing nutritional security and doubling farmer's income

3. National Bamboo Health Mission

The Restructured National Bamboo Mission was launched in 2018-19 to focus on the development of Complete value-chain of bamboo sector and link growers wilt markets.

4. Digital Agriculture Mission

Digital Agriculture Mission have been approved on 02.09.2024 with an allocation of around Rs.2817/- crores to provide comprehensive data on farmers, including demographic details, land holdings and crops sawn, Integrating state and Central government data for innovative, farmer centric services.

5. National Bee Keeping and Honey Mission (NBHM)

It was launched under the Aatma Nirbhar Bharat Initiative to promote scientific beekeeping and achieve the 'Sweet revolution'. In 2020-23, an amount of Rs.500/- crores was allocated and it increased to 370/- crores in 2025.

6. Mission for Integrated Development of Horticulture (MIDH)

Under this mission, 13.96 lakh hectares of horticulture Crops were expanded, 908 nurseries established, 52459 hectares covered under organic farming.

7. National Mission on Edible oils- oilseeds

(NMEO-oilseeds). It aims to Increase the production of oilseeds to attain self-reliance in edible oils. An outlay of Rs 10103/- crores is allocated for the period from 2024-25 to 2030-31.

8. Sub Mission on Agricultural mechanisation

SMAM Scheme: This scheme was introduced in 2014-15 to provide financial assistance to purchase agricultural machinery and to establish custom hiring centres, High-tech Hubs, and Farm machinery banks.

NEW POLICY PROPOSALS IN AGRICULTURAL SECTOR

1. Digital public Infrastructure.

Digital public Infrastructure to be built as an open source, open standard and to be interoperable public good. It will enable inclusive, former centric solutions with relevant information services for crop planning and health and improved access to farm Inputs, credit and Insurance

2. Agriculture Accelerator Fund.

AAF will be set up to encourage Agri start-ups for young entrepreneurs in rural areas. It aims to implement the new modern technology to increase agricultural productivity and profitability.

3. PM Matsya Sampada Yojana

A new Scheme for fishermen and fish vendors to improve value chain efficiencies. Rs.6000/- crores is allotted for this scheme.

SUMMARY OF THE FINDINGS OF STUDY

- 1) Agricultural Investment since 2017-18 is taken utmost care in each year budget to monitor and regulate its growth and development In five years plan period, targets and aims and goals are to be attained in the span of five years. Allocation in the plan differs according to situations and Circumstances. But in each year of planning through NITI AAYOG, target is fixed for a particular year and amount disbursed in that year to strengthen its goals and achievements. Every year additional investment is sanctioned to existing schemes and simultaneously new schemes are

introduced with new allocation. So, it helps to attain maximum growth and utilize the best optimum use of limited and scarce resource of land.

- 2) People especially existing and agricultural land workers and cultivators are made to sustain and devote more attention on their lands and attract new people in agricultural sector for various benefits and earnings that are available through various schemes and programmes.
- 3) In the NITI AAYOG period, all the problems of the agricultural cultivators are taken as top priority and best suitable remedies or actions are enforced to Sustain and maintain its growth through various schemes and programmes.
- 4) In the present decade, since 2017-18 to 2024-25, adoption of NITI AAYOG, agricultural production, agricultural productivity have been increased, due to active and rapid investment in the agricultural sector.
- 5) Lot of Innovative policies and programmes reach the agricultural land owners easily since direct money bank transfer mechanism is followed to disburse money at directly to landlord regular intervals in a particular year.

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