

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
STARRED QUESTION NO. 226
TO BE ANSWERED ON THE 21/03/2025

REDUCTION IN BUDGET ALLOCATION FOR AGRICULTURE

*226. SHRI MOHAMMED NADIMUL HAQUE:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) The reasons for the continued reduction in budgetary allocations for agriculture, including a ₹5,195 crore decline in crop husbandry expenditure and a ₹3,622 crore cut in the Pradhan Mantri Fasal Bima Yojana (PMFBY), between 2023-24 and 2025-26, despite challenges such as declining farm incomes and stagnant productivity; and

(b) the rationale and details behind the stark increase in allocation for the National Mission on Natural Farming (NMNF) from ₹30 crore in 2023-24 to ₹616 crore in 2025-26, while agricultural research and education was only a marginal increase of ₹21 crore during the same period ?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI SHIVRAJ SINGH CHOUHAN)

(a) & (b): A Statement is laid on the table of the House.

STATEMENT REFERRED TO PART (a) & (b) OF RAJYA SABHA STARRED QUESTION NO. 226 FOR 21/03/2025 REGARDING “REDUCTION IN BUDGET ALLOCATION FOR AGRICULTURE”.

(a): The Budget Estimate for Department of Agriculture & Farmers Welfare in Financial Year (FY) 2023-24 was Rs.1,15,531.79 crore, which was increased to Rs.1,16,788.96 crore at the Revised Estimate (RE) stage, marking with a 1.09% increase. For FY 2025-26, the allocation at Budget Estimate (BE) stage is Rs.1,27,290.16 crore, reflecting an 10.18% increase over BE 2023-24, aimed at *inter-alia* enhancing the agricultural sector productivity and supporting farmers' income.

As regards Pradhan Mantri Fasal Bima Yojana (PMFBY) it is informed that on account of several interventions by Government of India (GoI), the premium rates charged by the Insurance Companies under the scheme have significantly reduced and hence the premium liability of GoI has reduced. In 2023-24 premium rate was 10.8% compared to 15.9% in 2020-21. It may be further noted that Revised Estimates (2024-25) has been increased to Rs.15,864 crore as compared to Rs.14600 crore at Budget Estimates stage (2024-25). Further, Union Cabinet in its meeting held on 01.01.2025 has approved exemption from 10% mandatory allocation in North Eastern Region (NER) heads due to which funds which were surrendered in earlier years has been made available for utilisation for non-NER States which will significantly reduce past liabilities. Keeping in mind the above, BE 2025-26 has been kept at Rs.12,242 crore. Further, the Union Cabinet in the meeting held on 01.01.2025 has also approved an increased outlay of Rs.69,515.71 crore under the scheme for the period 2021-22 to 2025-26. Therefore, sufficient funds are available for additional allocation.

(b): The allocation for the National Mission on Natural Farming (NMNF) saw a significant rise from ₹30 crore in 2023-24 to ₹616 crore in FY 2025-26 subsequent to the Union Cabinet's approval of NMNF as a standalone Centrally Sponsored Scheme on November 25, 2024. The scheme has a total outlay of ₹2,481 crore till 2025-26. Before this approval, funding for the mission was primarily directed toward administrative activities. Due to the late approval in FY 2024-25, the mission's comprehensive implementation and associated financial requirements were postponed to FY 2025-26. As a result, the previous allocation reflected the preparatory phase of the mission, while the substantial increase marked the start of its full-scale execution.
