

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

RAJYA SABHA
UNSTARRED QUESTION NO. 668
TO BE ANSWERED ON THE 05/12/2025

RISE IN FARMERS' INDEBTEDNESS AND CROP LOSSES

668. SHRI SANT BALBIR SINGH:

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

- (a) whether Government has taken cognizance of the severe rise in farmers' indebtedness due to repeated crop failures, erratic weather, and low market prices;
- (b) whether the Ministry has issued any urgent advisory or relief package to States where farmer distress is acute; and
- (c) the timeline for implementation of immediate support measures, including interest subvention, emergency credit, debt restructuring, or direct compensation?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRI RAMNATH THAKUR)

(a) to (c): The Government of India remains attentive to the impact of crop failures, adverse weather patterns, and market fluctuations on farmers' indebtedness. To alleviate agrarian distress, reduce indebtedness and support farmers, the Government has implemented various initiatives focused on income support, crop risk mitigation, soil-health management, access to affordable credit, and market interventions.

Agriculture being a State Subject, the State Governments take appropriate measures for development of agriculture in the State. However, Government of India is committed to enhance the welfare of farmers and making agriculture more remunerative. Government of India supplements the efforts of States through appropriate policy measures and budgetary support and various schemes/ programmes. Government has adopted and implemented several policies, reforms, developmental programmes and schemes for achieving higher incomes for the farmers directly or indirectly and making it a profitable business. The Government has substantially enhanced the budget allocation of Department of Agriculture & Farmers Welfare (DA&FW) from Rs. 21933.50 crore BE during 2013-14 to Rs. 1,27,290.16 crore BE during 2025-26. The various schemes/ programmes of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers. These schemes encompass entire spectrum of agriculture including credit, insurance, income support, infrastructure, crops including horticulture, seeds, mechanization, marketing, organic and natural farming, farmer collectives, irrigation, extension, procurement of crops from farmers at minimum support prices, digital agriculture etc. Additionally, Government had increased MSPs for all mandated Kharif, Rabi and other Commercial crops with a minimum return of 50 percent over all India weighted average cost of production from 2018-19 onwards. List of Central Sector and Centrally Sponsored Schemes being implemented by Department of Agriculture & Farmers Welfare (DA&FW) is given in **Annexure**.

To improve credit access and reduce rural distress over the long term, the government is implementing a 100% centrally funded Central Sector Scheme known as the Modified Interest Subvention Scheme (MISS) across various States and UTs in pan India. This scheme aims to provide concessional interest rates on short-term agricultural loans obtained by farmers through Kisan Credit Cards (KCC) for their working capital requirements. Due to KCC-MISS scheme access to easy and affordable credit has increased significantly to farmers to meet their operational needs. Under this scheme, farmers receive KCC loans at a subsidized interest rate of 7%. To facilitate this, an up front interest subvention (IS) of 1.5% is provided to financial institutions. Additionally, farmers who repay their loans promptly receive a 3% Prompt Repayment Incentive (PRI), effectively reducing the interest rate to 4% per annum. The benefits of IS and PRI are available for loan limits up to Rs. 3 Lakhs. However, if the short-term loan is taken for allied activities (other than crop husbandry), the loan amount is limited to Rs. 2 Lakhs only.

In the event of natural disasters, the Reserve Bank of India (RBI) allows for restructuring of loans. Reserve Bank has issued Master Directions – Relief Measures by banks in areas affected by Natural Calamities 2018 dated October 17, 2018, separately to Scheduled Commercial Banks and to RRBs. As per the Master Directions, in the event of natural calamities declared by the State/Central Government all short-term loans, except those which are overdue at the time of occurrence of natural calamity, shall be eligible for restructuring. Fresh loans can also be sanctioned by banks to affected borrowers. Agricultural term loan installments shall also be rescheduled keeping in view the repaying capacity of the borrower and the nature of natural calamity. This ensures that farmers are not unduly burdened during crop failure or damage due to natural calamities.

STATEMENT IN REPLY TO PARTS (a) to (c) OF RAJYA SABHA UNSTARRED QUESTION NO. 668 TO BE ANSWERED ON 05/12/2025 REGARDING 'RISE IN FARMERS' INDEBTEDNESS AND CROP LOSSES'.

Major schemes/programmes meant for the welfare of farmers by increasing production, remunerative returns and income support to the farmers:

1. National Food Security and Nutrition Mission (NFSNM)
2. National Mission on Edible Oils (NMEO)-Oil Palm
3. National Mission on Edible Oils (NMEO)-Oilseeds
4. National Mission on Natural Farming (NMNF)
5. Paramparagat Krishi Vikas Yojana (PKVY)
6. Soil Health & Fertility (SH&F)
7. Rainfed Area Development (RAD)
8. Agroforestry
9. Crop Diversification Programme (CDP)
10. Sub-Mission on Agriculture Extension (SMAE)
11. Sub-Mission on Seed and Planting Material (SMSP)
12. Mission for Integrated Development of Horticulture (MIDH)
13. National Bamboo Mission
14. National Bee Keeping and Honey Mission (NBHM)
15. Mission Organic Value Chain Development for North Eastern Region
16. Per Drop More Crop (PDMC)
17. Integrated Scheme for Agriculture Marketing (ISAM)
18. Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
19. Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)
20. Pradhan Mantri Fasal Bima Yojana (PMFBY)/ Restructured Weather Based Crop Insurance Scheme (RWBCIS)
21. Pradhan Mantri Annadata Aay Sanrakshana Abhiyan (PM-AASHA)
22. Modified Interest Subvention Scheme (MISS)
23. Agriculture Infrastructure Fund (AIF)
24. Formation and Promotion of 10,000 new Farmer Producers Organizations (FPOs)
25. Namo Drone Didi
26. Agri Fund for Start-Ups & Rural Enterprises (AgriSURE)
27. Sub-Mission on Agriculture Mechanization (SMAM)
28. Digital Agriculture Mission