

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 4098**

TO BE ANSWERED ON THE 25<sup>TH</sup> MARCH, 2025

**DISTRESS AMONG COTTON FARMERS IN TELANGANA**

**4098. SHRI VAMSI KRISHNA GADDAM:**

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the steps being taken to address the growing distress among cotton farmers in the State of Telangana, particularly in districts like Peddapalli, Warangal and Khammam, who are facing mounting losses due to fluctuating market prices and input costs;
- (b) whether the Government has assessed the impact of inadequate insurance coverage and delayed claims on the financial well-being of these farmers;
- (c) the measures being implemented to enhance access to credit and input subsidies for cotton farmers, especially in remote rural areas; and
- (d) whether the Government is considering any long-term strategies to stabilize the cotton market in Telangana and prevent recurring farmer suicides linked to crop failure and financial strain?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (d): Every year, Government fixes Minimum Support Prices (MSPs) for 22 mandated agricultural crops including Cotton based on the recommendations of Commission for Agricultural Costs & Prices (CACP). The MSP is fixed at least 50 percent margin over the cost of production. The rise in inputs cost are accounted in the cost of production calculations.

To safeguard the cotton farmers from distress sale, the Cotton Corporation of India Ltd. (CCI) is appointed as a Nodal Agency for undertaking procurement from cotton farmers in the event market prices fall below MSP. To ensure the benefits of MSP scheme reaches to all farmers in the State of Telangana, CCI has opened 110 procurement centres in 30 districts. Among that 3 centres in Peddapalli, 4 centres in Warangal and 5 centres in Khammam have been opened to cover maximum cotton farmers.

During current cotton season 2024-25, CCI has procured about 210.19 lakh quintals kapas (equivalent to 40.37 lakh bales), valuing Rs. 15,556 crore in Telangana upto 17.03.2025 and about 9 lakh farmers have been benefitted. Out of above, 0.63 lakh bales (valuing Rs. 239 crore) have been procured in Peddapalli district, 3.26 lakh bales (valuing Rs. 1260 crore) have been procured in Warangal District and 1.04 lakh bales (valuing Rs. 406 crore) have been procured in Khammam District.

Government has taken steps to strengthen implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY) to bring transparency and ensure timely settlement of claims. National Crop Insurance Portal (NCIP) is single source of data ensuring subsidy payment, coordination, transparency dissemination of information and delivery of services. In order to rigorously monitor claim disbursement process, a dedicated module 'Digicclaim Module' for payment of claims from Kharif 2022 onwards is operational. To further improve grievance redressal mechanism, Krishi Rakshak Portal and Helpline (KRPH) has been developed.

Modified Interest Subvention Scheme (MISS) provides short-term agricultural loans at concessional interest rates through Kisan Credit Cards (KCC). Under this scheme, farmers including tenant farmers receive KCC loans at a subsidized interest rate of 7%. To facilitate this, an upfront 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.

Apart from input subsidies provided by the State Governments, the Central Government implements schemes such as Per Drop More Crop, Sub-Mission on Agricultural Mechanization (SMAM) etc., also support farmers. Government also ensures availability of subsidized fertilizer to the farmers. Under Cotton Seeds Price (Control) Order, 2015, prices of Bt cotton is fixed every year to make availability of seeds at reasonable price to the cotton farmers.

Government also implements cotton development programme Under National Food Security and Nutrition Mission (NFSNM) to enhance production and productivity of cotton.

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