

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

LOK SABHA
UNSTARRED QUESTION NO. 2576
TO BE ANSWERED ON THE 16TH DECEMBER, 2025

ALLOCATION FOR SUBSIDIES

2576. SHRI UMMEDA RAM BENIWAL:

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

- (a) whether the Government has reduced subsidy allocation for fertilizers and crop insurance during the last two financial years;
- (b) if so, the details thereof;
- (c) whether the said reduction has disproportionately affected small farmers in Rajasthan and other drought prone States; and
- (d) if so, the details thereof ?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (d): The maximum retail price (MRP) of urea is constant since 2018. Similarly, MRP of DAP is constant for the last three years. In order to keep the price constant, Government of India is bearing the subsidy on both the urea and Phosphatic & Potassic (P & K) fertilizers. The actual expenditure on urea varies with fluctuation in price of natural gas and other raw material used for urea production and international import prices of Urea. Under P&K scheme a fixed amount of subsidy, decided on annual/bi-annual basis and provided on notified P & K fertilizers. The consumption of fertilizers has been increased from 646.23 LMT in 2023-24 to 705.24 LMT in 2024-25. The subsidy of fertilizer during the financial years 2023-24 was Rs. 1,95,421 crores and in 2024-25 it was Rs. 1,77,129 crores.

The Government of India implements the scheme on Pradhan Mantri Fasal Bima Yojna (PMFBY). The scheme is implemented mainly on area approach basis and comprehensive risk coverage of crops of farmers at very minimum premium for the farmers is provided under the scheme. Admissible claims are worked out and paid directly only to the insured farmer's account by the insurance companies through DigiClaim module on National Crop Insurance Portal, based on the yield data per unit area furnished to the insurance company by the concerned State Government upon receipt of Centre and State Government's requisite share in premium subsidy. This is demand driven scheme and there is no provision for State wise fund allocation under the scheme. Further, the funds allocated under the scheme have increased in 2024-25 from the previous year. The details of Budgetary provision and funds utilized during last two years i.e. from 2023-24 to 2024-25 are given below:

Year	Budget Estimates	Revised Estimates	Actual Release/Exp. (Rs. in crore)
2023-24	13,625.00	15,000.00	12,948.50
2024-25	14,600.00	15,864.00	14,772.86