

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2643**  
TO BE ANSWERED ON THE 16<sup>TH</sup> DECEMBER, 2025

**FINANCIAL DISTRESS OF FARMERS**

2643. SHRI K RADHAKRISHNAN:

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

- (a) whether the Government is aware of the severe financial distress being faced by farmers due to rising input costs, unstable crop prices and increasing incidents of natural calamities in various States including Kerala;
- (b) whether the allocation for key schemes such as PM-KISAN, PMFBY and agricultural subsidies has been reduced or remains pending for disbursal, thereby affecting farmers' livelihoods;
- (c) the reasons for the delay in settling crop insurance claims under PMFBY in several districts, particularly where farmers have suffered major crop losses; and
- (d) whether the Government will take urgent steps to increase MSP, enhance compensation for crop losses, ensure timely release of pending scheme funds and provide a special agriculture package for distressed farmers across the country including Kerala?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि और किसान कल्याण राज्य मंत्री

(SHRI RAMNATH THAKUR)

(a) to (d): Agriculture is a State subject. Government of India supports the States including Kerala through appropriate policy measures and budgetary allocation for schemes for multiple aspects like agriculture inputs, price support etc. The Government has substantially enhanced the budget allocation of Department of Agriculture & Farmers Welfare (DA&FW) from Rs. 21,933.50 crore BE during 2013-14 to Rs. 1,27,290.16 crore BE during 2025-26. The schemes/programmes of the Government of India, which together act as an agriculture support package for distressed farmers and aim to mitigate challenges faced by farmers including input costs, climate disasters, crop insurance and provide remunerative returns are at **Annexure I.**

Under the Sub-Mission on Agricultural Mechanization' (SMAM), financial assistance @ 40% to 50% of the cost of machines depending on the categories of farmers is provided for purchase of agricultural machines. Financial assistance @ 40% of the project cost is also provided to rural entrepreneur, (Rural youth and farmer as an entrepreneur), Cooperative Societies of Farmers, Registered Farmers Societies, Farmer Producer Organizations (FPOs) and Panchayats for establishment of Custom Hiring Centres (CHCs) and Hi-tech hubs of high value agricultural machines. Financial assistance @ 80% of the project cost for the projects costing up to Rs. 30 lakhs is provided to the Cooperative Societies of farmers, Registered Farmer Societies, FPOs, Self Help Groups and Panchayats for setting up of village level Farm Machinery Banks (FMBs). The CHCs promoted under SMAM cater to the requirements of small and marginal farmers by providing the machines and equipment on rental basis for different agricultural operations as per their requirement. Technologies such as drones, sensors enable farmers to monitor crop health, manage soil conditions and apply inputs more effectively which helps in reducing input costs and improving productivity.

Rashtriya Krishi Vikas Yojana (PM-RKVY) is a cafeteria scheme consisting several Centrally Sponsored Schemes viz. Detailed Project Report (DPR) component, Per Drop More Crop (PDMC), Sub- Mission on Agriculture Mechanization (SMAM) including Management of Crop Residue (CRM), Soil Health and Fertility (SH&F), Paramparagat Krishi Vikas Yojna (PKVY), Rainfed Area Development (RAD), Agro-Forestry and Crop Diversification Programme (CDP). Under RKVY, Rs. 112.03 crore (as on 25.11.2025) has been released for Kerala during this financial year.

Krishonnati Yojana is an umbrella scheme of 08 schemes viz Mission for Integrated Development of Horticulture (MIDH), National Food Security and Nutrition Mission (NFSNM), Sub-Mission on Agriculture Extension (SAME), Integrated Scheme on Agricultural Marketing, Digital Agriculture Mission (DAM), National Mission on Edible Oil – Oilseeds (NMEO-OS), National Mission on Edible Oil – Oilpalm (NMEO-OP) and Mission Organic Value Chain Development for North East Region (MOVCDNER). Under KY, Rs. 49.81 crore (as on 31.10.2025) has been released for Kerala during this financial year.

Under the PM-KISAN scheme, a financial benefit of Rs 6,000/- per year is transferred in three equal instalments, into the Aadhaar seeded bank accounts of eligible farmers through Direct Benefit Transfer (DBT) mode. Maintaining absolute transparency in registering and verifying beneficiaries, the Government of India has disbursed over Rs 4.09 lakh crore through 21 installments to eligible farmers since inception of the Scheme. Total Rs. 12980.72 crore has been disbursed to the farmers of kerala in 21 installments. The 21<sup>st</sup> installment of Rs. 18,680.63 crore for August-November (FY 2025-2026) under PM-KISAN has been released.

Every year, Government fixes Minimum Support Prices (MSPs) for 22 mandated agricultural crops for the country as a whole, based on the recommendations of Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned. The Union Budget for 2018-19 had announced the pre-determined principle to keep MSPs at levels of at least one and half times of the cost of production. Accordingly, 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 year 2018-19 onwards. The details of increased MSP in the year 2025-26 as compared to the year 2015-16 are given at **Annexure II**.

Government has launched Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA) to protect farmers from price fluctuations by strengthening the MSP system. Its key objectives are to provide price support for pulses, oilseeds, and copra; reduce distress sales by guaranteeing minimum assured income to farmers; promote procurement, price deficiency payments, and private participation in procurement; and ultimately ensure that farmers receive fair returns for their produce. During the calendar year 2022 and 2023, a quantity of 1374.15 MTs Copra have been procured having total MSP of Rs. 14.85 Crore under PSS benefitting 6840 farmers.

Pradhan Mantri Fasal Bima Yojna (PMFBY) was introduced in the country from Kharif 2016 season. This scheme is mainly implemented on 'Area Approach' basis and comprehensive risk coverage for crops of farmers against all non-preventable natural risks from pre-sowing to post-harvest stages of the crops 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 (NCIP), based on the yield data per unit area furnished to the insurance company by the concerned State Government as per claim calculation formula envisaged in the Operational Guidelines of the scheme 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 funds allocation under the scheme. This scheme is voluntary for States and farmers as well and Govt. of Kerala have been implementing the scheme since inception of the scheme i.e from Kharif 2016. RWBCIS is generally applicable to commercial horticultural crops provides insurance protection/ compensation to the farmers against adverse weather incidence, such as deficit or excess rainfall, high or low temperature (including heat wave, cold wave, frost), humidity etc. which are deemed to adversely impact the crop. Additional insurance coverage for hailstorm and cloud burst for horticultural crops has been provided as add-on/Index plus under RWBCIS.

The details of PMFBY and RWBCIS for Kerala is as under:

Year	Farmer Applications Insured	Area Insured	Paid Claims
	(lakh)	(lakh ha)	Rs. Crore
2021-2022	0.99	0.51	102.21
2022-2023	1.47	0.69	180.33
2023-2024	1.74	0.73	164.81

Government has taken various steps to strengthen implementation of this scheme all over India to bring transparency and onboard modern technology to ensure timely settlement of claims:

- Government has undertaken development of National Crop Insurance Portal (NCIP) as a single source of data ensuring subsidy payment, co-ordination, transparency, dissemination of information and delivery of services including direct online enrollment of farmers, uploading/obtaining individual insured farmer's details for better monitoring and to ensure transfer of claim amount electronically to the individual farmer's Bank Account.

- In order to rigorously monitor claim disbursement process, a dedicated module namely 'Digicclaim Module' has been operationalized for payment of claims from Kharif 2022 onwards. It involves integration of NCIP with Public Finance Management System (PFMS) and accounting system of Insurance Companies to provide timely & transparent processing of all claims.
- Also, towards leveraging technology in implementation of the scheme, various steps like capturing of yield data/Crop Cutting Experiments (CCEs) data through CCE-Agri App & uploading it on the NCIP, allowing insurance companies to witness the conduct of CCEs, integration of State land records with NCIP, introduction of YESTECH (Yield Estimation System Based on Technology) & WINDS (Weather Information Network and Data System) etc. have already been taken to improve timely settlement of the claims to farmers.

Ministry of Finance has introduced new process called SNA-SPARSH from July 2023 for disbursement under Centrally Sponsored Schemes for more effective cash management and with the aim of achieving the goal of "Just-in-time".

**MAJOR SCHEMES/PROGRAMMES INITIATED BY DA&FW**

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

**Minimum Support Price**  
**(Marketing Season-wise) (₹/quintal)**

<b>Commodities</b>	<b>KMS 2015-16</b>	<b>KMS 2025-26</b>
<b><u>KHARIF CROPS</u></b>		
Paddy (Common)	1410	2369
Paddy (Grade 'A')	1450	2389
Jowar (Hybrid)	1570	3699
Jowar (Maldandi)	1590	3749
Bajra	1275	2775
Ragi	1650	4886
Maize	1325	2400
Arhar	4625	8000
Moong	4850	8768
Urad	4625	7800
Cotton (Medium Staple)	3800	7710
Cotton (Long Staple)	4100	8110
Groundnut	4030	7263
Sunflower Seed	3800	7721
Soyabean Yellow	2600	5328
Sesamum	4700	9846
Nigerseed	3650	9537
<b><u>RABI CROPS</u></b>	<b>RMS 2016-17</b>	<b>RMS 2026-27</b>
Wheat	1525	2585
Barley	1225	2150
Gram	3500	5875
Masur	3400	7000
Rapeseed & mustard	3350	6200
Safflower	3300	6540

KMS – Kharif Marketing Season  
RMS – Rabi Marketing Season

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