

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 4037**  
TO BE ANSWERED ON 25<sup>TH</sup> MARCH, 2025

**BUDGET ALLOCATION**

**4037. SHRI VISHALDADA PRAKASHBAPU PATIL:**

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

- (a) whether the Government is aware that the total budget allocation for the Ministry has been reduced by 2.5% in 2025-26 as compared to the revised estimates of 2024-25;
- (b) if so, the reasons for this reduction despite of continued challenges in agricultural productivity, irrigation, and farmer incomes;
- (c) whether the 23% cut in allocation for the Pradhan Mantri Fasal Bima Yojana (PMFBY) from Rs.15,864 crore to Rs.12,242 crore will impact farmers' access to risk coverage, especially in light of increasing climate-related uncertainties, if so, the details thereof; and
- (d) whether the Government has assessed the impact of declining insurance claim payments under PMFBY on farmers' financial security and if so, the corrective measures being taken?

**ANSWER**

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

(a) to (d): Government of India is deeply committed to the well-being of farmers across the nation, which is evident through its remarkable increase in budget allocation for the Ministry of Agriculture & Farmers Welfare. The budget allocation for Ministry of Agriculture and Farmers Welfare has been increased from Rs 1,32,469.86 crore in 2024-25 to Rs 1,37,756.55 crore in 2025-26.

As regard 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% as 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.14,600 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 have 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.

Majority of the claims are settled within the stipulated timelines under the Operational Guidelines of the scheme by the insurance companies. However, during the implementation of PMFBY, some complaints against insurance companies about non-payment and/or delayed payment of claims; under payment of claims on account of incorrect/delayed submission of insurance proposals by banks; discrepancy in yield data & consequent disputes between State Government and insurance companies, delay in providing State Government share of funds, non-deployment of sufficient personnel by insurance companies etc., were received in the past which were suitably addressed as per the provisions of the scheme.

Since the scheme is implemented by the State Government, therefore, in order to resolve the grievances/complaints including those related to claims of insured farmers, provision of Stratified Grievance Redressal Mechanism viz. District Level Grievance Redressal Committee (DGRC), State Level Grievance Redressal Committee (SGRC) has been made in the Revised Operational Guidelines of the Scheme. These committees have been given the detailed mandate as outlined in the Operational Guidelines for hearing the complaints/ grievances and to dispose them as per the stipulated procedure.

To further improve the grievance redressal mechanism, Krishi Rakshak Portal and Helpline (KRPH) has been developed. A single Pan-India toll free number 14447 has been deployed and linked to the insurance companies database, where farmers can raise their grievances/issues. Timelines to resolve these grievances/issues has also been fixed.

Department is regularly monitoring the functioning of insurance companies by various methods, including timely settlement of claims through weekly video conferences of all stakeholders, one to one meeting as well as National Review Conferences.

Based on the experience gained, views of various stakeholders and with a view to ensure better transparency, accountability, timely payment of claims to the farmers and to make the scheme more farmer friendly, Government has periodically revised the Operational Guidelines of the PMFBY comprehensively to ensure that the eligible benefits under the scheme reach the farmers timely and transparently.

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