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

LOK SABHA
UNSTARRED QUESTION NO. 1425
TO BE ANSWERED ON THE 28TH JULY, 2026

MEASURE TO MITIGATE RISE IN AGRICULTURAL INPUT COSTS AND DEBT

1425. SHRI VIJAY KUMAR HANSDAK:

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

(a) whether the Government is aware of the steep rise in agricultural input costs, including fertilizers, seeds, diesel and equipments over the last three years and its impact on the net income of small and marginal farmers;

(b) the comprehensive details of the average debt per agricultural household across various States during this period and whether this economic stress is pushing farmers into a persistent debt trap; and

(c) the details of specific institutional measures, subsidy restructuring and credit-relief schemes the Government plans to implement to mitigate these rising costs and alleviate the agrarian debt crisis?

ANSWER

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

(a): Agriculture is a state subject. Union and State Governments take appropriate measures from time to time to control the price rise of agricultural inputs. Ministry of Agriculture & farmers Welfare supports the States through appropriate policy measures, budgetary support and implementation of various schemes/programmes to enhance the welfare of farmers and making agriculture remunerative.

The Government has implemented various schemes/ programmes cover the 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, digital agriculture etc. Additionally, Government provides subsidy to ensure the availability of fertilizers to farmers at reasonable prices despite volatility in international fertilizer markets. Also the Government of India is implementing the integrated Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) with the objective of ensuring remunerative prices to farmers and making essential commodities available to consumers at affordable prices. The scheme components are Price Support Scheme (PSS) and Price Stabilisation Fund (PSF), along with Price Deficit Payment Scheme (PDPS) and Market Intervention Scheme (MIS). All these interventions are aimed at improving farmers’ incomes including marginal and small farmers, increase agricultural productivity, reduce the cost of cultivation, promote crop diversification, ensure remunerative returns and making agriculture more sustainable.

The average monthly income of agricultural households in the country is periodically estimated through the “Situation Assessment Survey (SAS) of Agricultural Households”, conducted by the National Statistics Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI). As per the latest NSS 77th round of the Survey (January, 2019 – December, 2019) in the rural areas of the country, the average monthly income per agricultural household from various sources is estimated at Rs. 10, 218/- per month. According to the SAS findings, the average monthly income per agricultural household has increased from Rs. 6,426 in the agricultural year 2012-13 to Rs. 10,218 in 2018-19.

(b) & (c): As per Situation Assessment Survey (SAS) of Agricultural Households conducted by Ministry of Statistics and Programme Implementation (MoSPI) during NSS 77th round (January, 2019 – December, 2019) in the rural areas of the country, the estimated average amount of outstanding loan per agricultural household across the country is Rs. 74,121**.** State-wise details of average outstanding loans of agricultural households are given in Annexure.

To improve credit access 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. From 2014-15 onwards, the overall flow of institutional agricultural credit has increased from ₹8.5 lakh crore to over ₹28 lakh crore during 2025-26 (Prov.) while, the annual institutional credit flow to Small and Marginal Farmers has increased from ₹3.47 lakh crore to ₹14.77 lakh crore during 2024-25.

Further, to provide assured income support and reduce financial stress among small and marginal farmers, the Government is implementing the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme, a 100% Central Sector Scheme. Under the scheme, eligible farmer families receive income support of ₹6,000 per year in three equal instalments through Direct Benefit Transfer (DBT). The scheme provides timely liquidity for agricultural and household needs, helps reduce dependence on informal credit, and complements institutional credit initiatives such as the Kisan Credit Card (KCC). Under PM-KISAN scheme, the Government has disbursed over Rs 4.47 lakh Cr. through 23 installments since inception. Additionally, Government had increased MSPs for all mandated Kharif, Rabi and other Commercial crops with a minimum return of 50 percent over cost of production from 2018-19 onwards.

Annexure

ANNEXURE REFFERED IN REPLY TO PART (b) & (c) OF LOK SABHA UNSTARRED QUESTION NO. 1425 TO BE ANSWERED ON 28.07.2026 REGARDING "MEASURE TO MITIGATE RISE IN AGRICULTURAL INPUT COSTS AND DEBT".

Sl.No.	State/Group of NE States/ Group of UTs	Average amount (Rs.) of outstanding loan per agricultural household
1	Andhra Pradesh	2,45,554
2	Arunachal Pradesh	3,581
3	Assam	16,407
4	Bihar	23,534
5	Chhattisgarh	21,443
6	Gujarat	56,568
7	Haryana	1,82,922
8	Himachal Pradesh	85,825
9	Jammu & Kashmir	30,435
10	Jharkhand	8,415
11	Karnataka	1,26,240
12	Kerala	2,42,482
13	Madhya Pradesh	74,420
14	Maharashtra	82,085
15	Manipur	5,551
16	Meghalaya	2,237
17	Mizoram	23,485
18	Nagaland	1,750
19	Odisha	32,721
20	Punjab	2,03,249
21	Rajasthan	1,13,865
22	Sikkim	32,185
23	Tamil Nadu	1,06,553
24	Telangana	1,52,113
25	Tripura	23,944
26	Uttarakhand	48,338
27	Uttar Pradesh	51,107
28	West Bengal	26,452
	Group of N E States	**10,034**
	Group of UTs	**25,629**
	All India	**74,121**

Source: NSS Report No. 587: Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019

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