PM-KISAN's New Term: Rs 3.15 Lakh Crore Until 2030-31

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Agricultural Welfare and Direct Benefit Transfer

On 31 July 2026, the Union Cabinet approved the continuation of PM-KISAN (Pradhan Mantri Kisan Samman Nidhi) from financial year 2026-27 to 2030-31 with an outlay of Rs 3.15 lakh crore - a five-year extension of the country's largest direct income-support scheme, launched in February 2019.

Why in the News

According to the pmindia cabinet release (31 July), eligible landholding farmer families receive Rs 6,000 a year - in three equal instalments - directly into their bank accounts under the scheme; it runs on Aadhaar authentication, digital verification, and DBT. The release's achievement figures: more than Rs 4.47 lakh crore transferred directly to farmers' accounts in 23 instalments; in the 23rd instalment more than 9.49 crore farmers benefited and more than Rs 18,984 crore was released.

Income Support versus Input Subsidy

PM-KISAN is an unconditional income support - a fixed amount, without a condition on use, delivered by DBT. It is different from input subsidy (discounts on fertiliser, electricity, irrigation): a subsidy lowers a price, income support raises purchasing power. The policy debate: does a fixed income transfer raise resource efficiency (the right input in the right quantity), or does it become a substitute that postpones subsidy reform? Studies are divided on the relative cost-effectiveness of the two.

Key Facts

Extension (Cabinet): continuity from financial year 2026-27 to 2030-31; total outlay Rs 3.15 lakh crore

Scheme structure: Rs 6,000/year to an eligible landholding farmer family, three equal instalments, DBT; Aadhaar authentication + digital verification; since February 2019

Achievement figures (release): Rs 4.47 lakh crore+ directly into accounts in 23 instalments; 23rd instalment: 9.49 crore+ farmers, Rs 18,984 crore+

Governance claim: an 'effective example' of transparency, efficiency, and accountability - a technology-driven farmer-welfare model

Three Layers - Farmer Income, Fiscal Design, Welfare Delivery

Farmer income: for a small or marginal farmer, Rs 6,000 a year is a cushion for the initial cost of seed and fertiliser - a timely sum without intermediaries

Fiscal design: a five-year outlay approval gives certainty to budget planning; but the growing share of income support demands a balance with fertiliser-subsidy reform

Welfare delivery: DBT + Aadhaar verification has reduced leakage; the next challenges are eligibility accuracy (land records) and errors of exclusion and excess inclusion

Analysis and Way Forward

Look at three layers. (1) Model evaluation: the administrative cost of DBT income support is minimal and its reach direct - this is India's most successful delivery experiment; but the real purchasing power of Rs 6,000 a year shrinks with inflation - the question of revising the amount is permanent. (2) Coverage errors: land-record-based eligibility can leave out tenant and women farmers, and cleaning the names of the dead or ineligible is a continuing process - both list hygiene and inclusion need monitoring. (3) Complementarity: income support is not a solution to the farm-investment bottleneck (the productivity of small holders) - the income-doubling goal is meaningful only as a package with irrigation, market access, and technology. Note: the figures are based on the cabinet release of 31 July 2026; treat instalment payments and eligibility cleaning as proven by the records of the PM-KISAN portal or the Ministry of Agriculture.

Distinction Between Concepts

Income support (PM-KISAN - unconditional, DBT) versus input subsidy (fertiliser/electricity - price intervention) and MSP (price support) - three different tools from the same budget pie. Landholder eligibility versus tenants and sharecroppers - the definition of the first can keep the others out. And continuity approval (a 5-year outlay) versus the annual budget allocation - the first is policy certainty, the second the flow of accounts.

Mains Perspective

GS-III: agricultural policy, welfare schemes, DBT, fiscal management; GS-II: governance transparency. In the answer keep the extension facts (Rs 3.15 lakh crore, 2030-31 - attributed), the success of the DBT model, coverage error, and the condition of complementary reforms.

UPSC CSE Mains Style: Original Practice Question

'Direct income support is an efficient means of farmer welfare, but it is not a substitute for structural agricultural reform.' Analyse with reference to the PM-KISAN extension (2026).

(Answer in 150 words) | 10 marks

Answer Outline

Introduction: A fact-summary of the extension.

Main Body: Arguments - DBT efficiency, leakage reduction, the income cushion; limits - inflation adjustment, tenant exclusion, the productivity bottleneck; the way - revision of the amount, eligibility purification, complementary reforms (irrigation and markets).

Conclusion: Income support works best alongside structural reform.

Sources

- Prime Minister's Office - cabinet release: PM-KISAN continuation (31 July 2026)
- The Hindu - cabinet report (31 July 2026)

The key facts are verbatim-verified from the pmindia cabinet release; the achievement figures are from the same release.

Remember: The PM-KISAN extension gives policy certainty to the DBT model - the next test is the purchasing power of the amount, tenant inclusion, and coordination with structural reform.