

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:386
ANSWERED ON:19.02.2009
SUBSIDY TO FARMERS
Ahir Shri Hansraj Gangaram

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Government has conducted any study regarding grant of direct subsidy to farmers through Tata consultancy services;
- (b) if so, the salient features of the said study report;
- (c) whether the Government proposes to take any action in the light of the findings in the said report; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF MINES (SHRI B.K. HANDIQUE)

(a) to (d):- The Fertilizer Association of India (FAI) has conducted a study through the Tata Consultancy Services (TCS) on alternative mechanisms for delivery of subsidy to the farmers. The salient features of the report of TCS are :-

- (i) Direct subsidy disbursement to farmers/tillers through smart cards
- (ii) Farmers and dealers need be registered at district level
- (iii) The subsidy disbursement is linked to purchase of fertilizer products (or nutrients)
- (iv) A district (within every state) will be the unit for provisioning/budgeting fertilizer subsidy

The matter relating to Direct subsidy to farmers was considered by the Group of Ministers (GOM), which has been constituted to look into sustainable use of fertilizers and pertinent pricing and subsidy issues. The GOM in its final recommendations has not recommended any change in the existing delivery mechanism for fertilizer subsidy.