

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:832
ANSWERED ON:02.03.2010
SUBSIDY FOR SEEDS AND FERTILISERS
Panda Shri Prabodh

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Union Government is providing subsidies for fertilisers, seeds and pesticides to various States for enhancement of agricultural production;
- (b) if so, the details thereof during each of the last three years and the current year, State-wise;
- (c) whether the Government envisages to provide such subsidies directly to the farmers instead of to the companies;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): Fertilizer subsidy is not disbursed State-wise, but is provided to the fertilizer companies. Financial assistance is provided inter alia for distribution of foundation/certified seed at 50% cost of seed for production of certified/quality seeds. The States can provide assistance for pesticides under schemes such as Rashtriya Krishi Vikas Yojana.

(b): The details for fertilizer subsidy disbursed to the companies are as follows:

Year	Amount (Rs. crore)
2006-07	28,019.55
2007-08	43,319.16
2008-09	99,494.71
2009-10 (upto Jan'10)	52,750.71

The State-wise and year-wise details of financial assistance provided for seeds are given in the statement annexed. The States maintain details of assistance, if any, provided for pesticides.

(c) to (e): There is no proposal for the Union Government to provide assistance for seeds and pesticides directly to the farmers. As regards fertilizer subsidy, the Group of Ministers constituted to examine the Nutrient Based Subsidy (NBS) policy and measures for rationalization of fertilizer subsidy disbursement has recommended that Nutrient Based Subsidy be released through the fertilizer industry during the first phase.