

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:405
ANSWERED ON:07.07.2009
DRIP IRRIGATION
Rao Shri Sambasiva Rayapati

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has formulated a national policy for promotion of drip irrigation system in the country;
- (b) if so, the details thereof;
- (c) if not, the time by which such policy is likely to be formulated;
- (d) whether the Government proposes to grant 100 per cent exemption on drip irrigation equipment from customs/excise duty; and
- (e) if so, the details thereof?

Answer

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

(a) to (c): Yes, Madam. The Government has launched a Centrally Sponsored Scheme on Micro Irrigation to install drip and sprinkler irrigation system in the country. Financial assistance is provided for drip irrigation @ 50% of the total cost of the system, in which 40% is borne by Central Government, 10% by State Government and remaining 50% is borne by beneficiary either from his/her own resources or soft loan from financial institution. The assistance for drip system is limited to a maximum area of five ha per beneficiary family and all categories of farmers are covered under this scheme. All agriculture and horticulture crops are covered under this scheme except tea, coffee, rubber and oil palm.

(d)&(e): There is 100% exemption of excise duty on drip irrigation equipment but 5% custom duty is levied on such equipment.