

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

STARRED QUESTION NO:257  
ANSWERED ON:21.07.2009  
SUBSIDY TO FARMERS  
Rawat Shri Ashok Kumar

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) the financial assistance/subsidy provided to the farmers of the country during each of the last three years and the current year;
- (b) whether the amount of subsidy/ financial assistance provided to Indian farmers is proportionately low as compared to the farmers of developed countries like the United States of America;
- (c) if so, the reaction of the Government thereto;
- (d) whether the amount of financial assistance/subsidy given to the farmers in the country is on the decline over the years;
- (e) if so, the reasons therefor; and
- (f) the steps taken/proposed to be taken in this regard?

**Answer**

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 257 DUE FOR REPLY ON 21-07-2009.

(a): The Central Government provides subsidies on Seeds, Micro irrigation systems, Machinery, Premium on crop insurance etc. The Government also provides financial incentive/grants/concessions to resource poor farmers under the newly introduced Central Sector/Centrally Sponsored Schemes such as National Food Security Mission (NFSM), 2007-08, Rashtriya Krishi Vikas Yojana (RKVY), 2007-08, Macro Management, National Horticulture Mission (2005-06) and Technology Mission for Horticulture for the North Eastern States to 2001-02. Fertilizer subsidy is also provided to the Manufacturers/Importers, the benefit of which goes to the farmers through the notified selling prices fixed by the Government. The year wise amount of fertilizer subsidy disbursed/due is given below:

(Rs. in Crore)

Years      Total fertilizer subsidy disbursed/due

2006-07      26222

2007-08      32490

2008-09      75849

Estimated (Source: Expenditure Budget Vol.2009-10)

(b) & (c): Yes, Madam. The comparative amount of total domestic support (subsidy) provided by the United States, European Communities, Japan and India for the latest available years 1999 to 2001 are given below:

Details of Comparative Domestic Support

(US \$ Million)

Country 1999 2000 2001

United States 74,054.4 74,200.3 72,129.1

European Communities 88,340.3 87,817.6 75,083.75

(Marketing (Marketing  
year year  
2000/01) 2001/02)

Japan 31,908.6 30,551.97 NA

India (Year) 8,221.98 8,288.28 9,048.13

(1995-96) (1996-97) (1997-98)

(Source:WTO Notifications) NA= Not Available

Subsidy provided by the Government to farmers depends on it's ability to provide that Subsidy and also on commitments made under WTO.

(d): No, Madam.

(e) & (f): Does not arise.