

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:1637

ANSWERED ON:04.12.2012

SUBSIDY TO FARMERS

Chauhan Raj Kumari;Rao Shri Sambasiva Rayapati

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government has launched various schemes to provide subsidy to farmers on purchase of fertilizers, seeds and insecticides etc.;
- (b) if so, the details thereof along with the norms and manner in which the subsidy is given to farmers in the country;
- (c) the details of subsidy given to the farmers thereunder during each of the last three years and the current year along with the proposal for the 12th Five Year Plan;
- (d) whether there are any differences in the allocation of funds for subsidy from State to State in the country;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the corrective measures taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) to (f): Government has launched various schemes to provide financial assistance to farmers on purchase of inputs like fertilizers, seeds etc. Fertilizer subsidy is provided through two schemes: New Pricing Scheme (NPS-III) for Urea and Nutrient Based Subsidy Policy for Phosphatic and Potassic (P&K) fertilizers. Under NPS-III Urea is being provided to farmers at subsidized MRP of Rs. 5360 per MT. The difference in delivered cost of Urea and its MRP is provided as subsidy by the Government. Under NBS Policy, a fixed subsidy on the basis of nutrient content of P&K fertilisers is announced on annual basis. Under this Policy at present 21 P&K fertilisers are provided at subsidised rates to farmers. The Fertiliser subsidy is provided to all farmers of all states in the form of subsidized MPR of fertilisers. The amount of subsidy disbursed during the last three years and the first year of the 12th Fiver Year Plan is given below:-

Period Amount of subsidy disbursed (Rs. in Crore) P&K Urea All Fertilisers

2009-10	39452.06	24580.23	64032.29	2010-11	41500.00	24336.68	65836.68	2011-12	36107.94	37683.00	73790.94	2012-13	28576.12	37016.01	65592.13
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(BE) Financial assistance/subsidy for seed production and distribution is provided under various existing schemes/programmes implemented by states covering foodgrains, pulses, oilseeds, cotton, jute & mesta, etc. The scale of assistance extended varies with different levels of ceiling linked to costs under various schemes for different crops.

Under National Horticulture Mission (NHM), subsidy on crops, such as fruits, spices, medicinal and aromatic plants, cashew and cocoa, is provided to 18 States and 3 UTs. This scheme implemented by State Horticulture Missions (SHMs) provides assistance to vegetables seeds production @ 100% of maximum permissible cost of Rs. 50,000 per hectare to public sector and for private sector @ 50% of the cost as credit linked back ended subsidy. For promotion of Integrated Nutrient Management/Integrated Pest Management (INM/IPM) subsidy @ 50% of maximum permissible cost of Rs. 2000 per hectare limited to 4 hectare/beneficiary is provided. The financial assistance given to farmers under NHM, covering Vegetable Seed production and promotion of Integrated Pest Management during the last three years and the first year of the 12th Five Year Plan, is given below:-

(Rs. in Lakhs) 2009-10 2010-11 2011-12 2012-13 (Up to Oct.) 1601.16 680.61 780.33 130.90

Under Horticulture Mission for North East and Himalayan States (HMNEH), financial assistance is provided for various activities, such as, production of quality planting material, cultivation of horticulture crops including fruits, rejuvenation/replanting of old and senile orchards, creation of water resources, protected cultivation, organic farming, promotion of INN/IPM, technology demonstration, human resource development, exposure visit of farmers, post harvest management and establishment of marketing infrastructure. The financial assistance released under HMNEH during the last three years and the first year of the 12th Five Year Plan is given below:-

Year Release (Rs. in Lakhs)

2009-10 32572 2010-11 39998 2011-12 49313 2012-13 (Upto Nov.) 30692

Under Rashtriya Krishi Vikas Yojana (RKVY) and Macro Management of Agriculture Scheme (MMA), sufficient flexibility is provided to

the States to develop and pursue agricultural programmes on the basis of their regional priorities. No subsidy is provided directly by the Government of India to the individuals/farmers under these schemes. Subsidy is provided under RKVY as per norms of existing Government of India schemes, which includes the components/activities that are proposed to be taken under RKVY. In case of MMA, subsidy to farmers is provided by the state governments while implementing the approved Work Plans under the MMA scheme as per subsidy norms approved in the MMA guidelines.

The allocation of funds depends upon area, crops and beneficiary norms.