

Title: Need to clear the proposal of the Government of Andhra Pradesh for exempting raw materials imported for Micro Irrigation Projects from levy of Customs duty.

SHRI A. SAI PRATHAP (RAJAMPET): The State Government of Andhra Pradesh propose to launch a Micro Irrigation Project to achieve sustainable growth in agriculture and for effective management of water with a project outlay of Rs.1200 crores covering an area of 2.5 lakh Hectares in a period of two years. The aim of the project is to extend the benefits of micro-irrigation to the agriculture field of every farmer in the State. The State is giving a subsidy of 50% to every micro irrigation unit with a maximum limit of Rs.50,000/- to each eligible farmer. To reduce the cost of Micro-Irrigation equipment, State Government has already exempted the sales-tax. To make the micro irrigation equipment more affordable, the prices can be further brought down by nearly 40%-50% to the farmers by exempting the custom duty to be levied on raw materials used in production of micro irrigation equipment. The Andhra Pradesh Government has already approached and requested the Central Government to consider their proposal for exempting customs duty on raw materials to be imported for Micro Irrigation systems. The proposals may be approved and cleared at the earliest in the interest of farmers.

*Treated as laid on the Table.