

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

**LOK SABHA**  
UNSTARRED QUESTION NO. 325  
TO BE ANSWERED ON THE 19<sup>TH</sup> NOVEMBER, 2019

**COMPENSATION FOR NATURAL CALAMITIES**

325. SHRI ACHYUTANANDA SAMANTA:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government proposes any action plan to compensate farmers who have lost all or part of their harvest, capital and machinery due to natural calamities, if so, the details thereof;
- (b) the details of any such action taken by the Government to ensure the supply of seeds, soft loans, etc. in different States, keeping in mind the specific needs in each State; and
- (c) whether the Government proposes to introduce subsidy for fertilizers, if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) & (b): Government has introduced yield based Pradhan Mantri Fasal Bima Yojana (PMFBY) and weather index based Restructured Weather Based Crop Insurance Scheme (WBCIS) from Kharif 2016 to provide financial support to farmers suffering crop loss/damage arising out of natural calamities and adverse weather incidence.

In the eventuality of natural calamities, the State Governments are empowered to initiate necessary relief measures from State Disaster Response Fund (SDRF), which is readily available with them. Additional financial assistance, over and above SDRF, is considered from National Disaster Response Fund (NDRF), on receipt of Memorandum from State Governments and in accordance with extant norms and procedures. The financial assistance under SDRF/NDRF in the wake of notified natural disasters is given by way of relief and not for compensation of loss as suffered/claimed. Financial assistance provided under SDRF/NDRF is towards input subsidy for crop loss of 33% and above.

Government of India is also implementing the component National Seed Reserve (NSR) under Sub-Mission of Seeds & Planting Material (SMSP) to meet the requirement of Seeds of short and medium duration varieties during natural calamities and unforeseen conditions as climate change, rise in temperature and increased frequency of natural calamities like droughts, floods and changes in rainfall patterns are common in India. 22 agencies are implementing NSR including one at the national level with National Seeds Corporation and 21 in different States.

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Interest Subvention Scheme (ISS) was launched in the year 2006-07 with a view to provide concessional short term crop loans including loan availed through Kisan Credit Card (KCC) to the farmers. Interest subvention of 2% and prompt repayment incentive of 3% on restructured crop loans is given to farmers affected by severe natural calamities.

(c): The Government is already providing urea to farmers at subsidized rates. Urea is being provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable) and the MRP of 50 kg bag of urea is Rs.268 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. The Government of India is also granting subsidy on P&K fertilizers under the Nutrient Based Subsidy scheme. Under the policy, the subsidy on P&K fertilizers is announced by the Government on an annual basis before the beginning of each financial year. The Subsidy is announced for each nutrient i.e Nitrogen (N), Phosphorus (P), Potash (K) and Sulphur (S) on per kg basis, which is converted into subsidy per tonne depending upon the nutrient content in each grade of these fertilizers. MRP (Maximum Retail Price) of P&K fertilizers has been allowed to be fixed by manufactures/ importers at reasonable level. Presently, NBS Policy is applicable on 21 Grades of P&K fertilizers.

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