

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

STARRED QUESTION NO:273

ANSWERED ON:12.12.2005

SUBSIDY ON INPUTS FOR AGRICULTURAL PRODUCTION

Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the policy of various States has been to increase agricultural production through subsidies on inputs such as power, water and fertilizers rather than by building new capital assets in irrigation and power;

(b) if so, the facts thereof;

(c) whether some States have faced severe problems for want of Central subsidies on inputs; and

(d) if so, the steps taken by the Union Government to bring uniformity in the policy on subsidies on inputs so that all farmers of the country get equal opportunities to increase their production?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 273 DUE FOR REPLY ON 12TH DECEMBER, 2005.

(a)&(b): With a view to increase agricultural production, the Government has adopted a multi pronged strategy for addressing specific segments of agriculture to ensure higher production. These initiatives are in the areas of cereals and non-cereals crops, horticulture, livestock, fisheries and dairying. Equal emphasis is also given to timely availability of inputs and an overall thrust towards diversification into higher value produces and plantations. Initiatives taken towards these areas include launch of Horticulture Mission, undertaking activities with a mission approach for enhancing productivity and quality of cotton, oilseeds, pulses and coarse grains. The provision of enhanced credit coverage to the farming community is also part of the Credit Package of the Government announced in June 2004. Initiatives have also been taken to include micro irrigation, enhanced provision for the accelerated irrigation technology programme, strengthening of agricultural marketing infrastructure, development of backward and forward linkages through venture capital support and facilitation to growers' associations for producing larger and better quality of fruits, flowers and vegetables. All these programmes are implemented through the State Governments.

Subsidies are also given by both the Central and State Governments in Agriculture Sector under various schemes for increasing production through various inputs such as fertilizer, diesel, electricity, water etc. Central Government pays for subsidies on fertilizer as well as for seeds and machinery etc. under Central Government Schemes. However, State Governments pay subsidy for irrigation, power and also on seeds and farm machinery etc. under their programmes/schemes. These subsidies have enabled the farmers in acquiring inputs at affordable prices and thus help in enhancing the agricultural production.

(c)&(d): With a view to bringing uniformity in the policy of subsidies on inputs for increasing production and productivity, Government is providing subsidy to all the States for implementing various schemes in the field of fertilizer, agriculture machinery, horticulture, seed, crops etc.