

IMMEDIATE

No.31-3/2009-DM
Government of India
Ministry of Agriculture
Department of Agriculture & Cooperation
(Drought Management Division)

Krishi Bhavan, New Delhi
Dated the 3rd August, 2009

To

The Chief Secretary
All State Governments /
UT Administrations.

Subject: Diesel subsidy in Drought and Deficit Rainfall Affected Areas.

Sir / Madam,

I am directed to say that in view of deficit rainfall in various parts of the country during South-West Monsoon 2009 and its likely impact on Agriculture Operations during the on-going Kharif season, it has been decided to give financial assistance to the State Governments/UT Administrations which have decided to introduce diesel subsidy for the farmers to enable the farmers to provide supplementary irrigation through diesel pumpsets in the drought and deficit rainfall affected areas to protect the standing crops. This will help in mitigating the adverse impact of drought/deficit rainfall conditions on foodgrain production. The applicability of the scheme and the mode of implementation are, as under:-

- (i) The scheme on Diesel Subsidy will be implemented with the participation of the State Governments/UT Administrations, with a view to offset the cost of diesel used for pumping water for providing supplementary irrigation.
- (ii) The scheme will be applicable to such districts where the rainfall deficit is more than 50% as on 15th July, 2009, as reported by IMD, or to such talukas/districts, which have been declared as drought affected areas by the respective State Governments/UT Administrations.
- (iii) The farmers in the affected regions would be covered between 15th July, 2009 to 30th September, 2009.
- (iv) It is intended to provide 50% subsidy on the cost of diesel to the affected farmers for upto three protective irrigations subject to a maximum total subsidy of Rs 1000 per hectare, limited to maximum of two hectares per farmer. Assistance so provided through subsidy shall be shared between the Government of India and the State Government/UT Administration concerned on 50:50 basis and subject to the participating States/UTs willing to contribute their share.
- (v) It would be the responsibility of the State Governments / UT Administrations concerned to initially extend the full subsidy amount to the farmers in the drought and deficit rainfall affected areas.
- (vi) In case the State Governments/UT Administrations concerned decide on a higher percentage of subsidy, the Government of India's 50% contribution would be capped to a

maximum of 50% cost of diesel, subject further to a cap at Rs.7.50 per litre. In case the State Government/UT Administration concerned offers a lower subsidy, then GoI's share will be limited to 50% of the said lower subsidy amount. In no case shall the Government of India's contribution be more than Rs 7.50 per litre and Rs 500 per hectare.

- (vii) The scheme will operate on reimbursement basis. The State Government/UT Administration would claim reimbursement as special grants-in-aid for getting the Central share of the subsidy so paid after full disbursement of the subsidy amount.

2. The modalities of disbursement of subsidy to the farmers would be devised by the State Governments/UT Administrations concerned (including cases in which the State Government/UT Admn. decides to introduce this scheme in their State/UT) and the modality adopted by them would be intimated to the Ministry of Agriculture by 15th August, 2009.

3. A copy of the Proforma, vide which the reimbursement shall be claimed, is enclosed.

4. The Scheme will be implemented by the Principal Secretary / Secretary of the Department of Agriculture of the State Governments/UT Administrations concerned.

5. Director (Agriculture) / Commissioner (Agriculture) of the State Governments/UT Administrations concerned, shall be the Authorized Signatory for claiming reimbursement of the GoI share of the subsidy amount.

Yours faithfully,
Sd/-

(S. Janakiraman)

Under Secretary to the Government of India
Telefax No. 23383309

Copy to:

1. Agriculture Production Commissioner/Principal Secretary (Agriculture)/Secretary (Agriculture) of all State Governments / UT Administrations.
2. Director (Agriculture) / Commissioner (Agriculture) of all State Governments / UT Administrations.

(S. Janakiraman)

Under Secretary to the Government of India

Copy also to:

1. Cabinet Secretariat (Dr. C.S. Kedar, Joint Secretary), Rashtrapati Bhavan, New Delhi.
2. Prime Minister's Office (Shri L.K. Atheeq, Director), South Block, New Delhi.
3. PS to AM/PS to MoS(A).
4. Sr. PPS to Secretary (A&C)/PPS to AS(PKB)/PPS to Agriculture Commissioner/PS to JS(DM)/DS(DM)/US(P).

(S. Janakiraman)

Under Secretary to the Government of India

**PROFORMA FOR CLAIMING REIMBURSEMENT OF DIESEL
SUBSIDY IN THE DROUGHT AND DEFICIT RAINFALL AFFECTED
AREAS**

STATE/U.T. ADMINISTRATION

Period: From _____ to _____

Name of the districts affected having deficit rainfall of more than 50% as on 15.7.2009 as per IMD data or declared drought affected	Total cropped area affected in the district, for which supplementary irrigation is being provided	Number of farmers to whom diesel subsidy has been provided	Total subsidy paid by the State Government/UT Administration	Reimbursement claimed @ 50% of the total subsidy paid by the State Government/UT Administration	Remarks (if any)
1.	2.	3.	4.	5.	6.

1. Certified that the amount of Rs. _____ (in words), being claimed herein as reimbursement of the Government of India's share of 50% of the total subsidy amount actually paid to the farmers in the areas suffering from deficit rainfall of more than 50% as on 15.07.09 (as per the records of IMD) or declared drought affected.
2. It is further certified that the claim of reimbursement is for subsidy disbursed for upto 2 hectares per farmer and the relevant records have been maintained in the concerned District/Taluk/Block/other (specify) office.
3. It is also further certified that the subsidy claim from the Government of India in no case is more than Rs 7.50 per litre and Rs 500 per hectare.

Director of Agriculture/
Commissioner of Agriculture
State Government/UT Administration of _____
(Authorized Signatory)