

01 – 07 – 2023

- News: PM – PRANAM Scheme
- Cabinet Committee on Economic Affairs (CCEA), approved the PM-PRANAM scheme, aimed at restoring and nurturing Mother Earth through the use of biofertilizers.

PM – PRANAM Scheme

- PM – PRANAM stands for **PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth.**
- PM-PRANAM was **first announced in the 2023-24 Budget by the Union government.**
- The scheme aims to **reduce the use of chemical fertilizers by incentivizing states to adopt alternative fertilizers.**

Objective

- Encourage the **balanced use of fertilizers in conjunction with biofertilizers and organic fertilizers.**
- **Reduce the subsidy burden on chemical fertilizers, which was around Rs 2.25 lakh crores in 2022-2023.**

Key Features of the Scheme

Financing

- The scheme will be financed by the savings of existing fertilizer subsidies under schemes run by the Department of Fertilizers, Ministry of Chemicals & Fertilizers.
- There will be no separate budget for the PM-PRANAM scheme.

Subsidy Savings and Grants

- The Centre will provide 50% of the subsidy savings to the states as a grant.
- Out of the grant, 70% can be used to create assets related to the technological adoption of alternative fertilizers and production units at various levels.
- The remaining 30% can be used to reward and encourage farmers, panchayats, and other stakeholders involved in fertilizer reduction and awareness generation.

Calculation of Fertilizer Reduction

- The reduction in urea consumption by a state will be compared to its average consumption of urea over the previous three years.

- This calculation will determine the eligibility for subsidy savings and grants.

Promotion of Sustainable Agriculture

- Encouraging the use of biofertilizers and organic fertilizers will promote sustainable agricultural practices.