

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS
RAJYA SABHA
UNSTARRED QUESTION NO.173 TO BE ANSWERED ON 19.07.2022

Subsidies on fertilizers

173. SHRI RAGHAV CHADHA:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the annual cost incurred by Government on providing subsidies to the farmers;
- (b) the details of the cost incurred, category-wise;
- (c) the total amount of loans or any other credit facility taken by farmers for the purchase of chemicals and fertilizers;
- (d) the current amount of total debt on farmers that have accumulated due to chemical and fertilizer purchase; and
- (e) the figures for the same with regards to the data of last three years, State-wise?

ANSWER
MINISTER OF STATE FOR CHEMICALS & FERTILIZERS
(SHRI BHAGWANT KHUBA)

(a) & (b): The annual cost incurred by Government on providing subsidies for sale of fertilizer to the farmers and the details of cost incurred, category-wise for the last two years are given in table below:-

Sl.No.	Particulars	(Rs. in crores)	
		2020-21	2021-22
1	Payment for indigenous P&K fertilizers	22288.37	31931.46
2	Payment for imported P&K fertilizers	15015.37	20794.80
3	Payment for indigenous urea	68807.41	54619.72
4	Payment for imported urea	25049.62	50250.40
5	City Compost	68.74	43.71
	TOTAL	131229.51	157640.09

2. The cost incurred is on actual sale of all subsidized fertilizers to farmers/buyers on no denial basis, irrespective of the category to which they belong.

(c) to (e):

1. Department of Agriculture and Farmers Welfare implements Modified Interest Subvention Scheme (MISS) to provide short term agri-loans availed by farmers through KCC at concessional rate of interest to meet their working capital requirements such as purchase of seeds, fertilizers, fodder, maintenance of farm equipment etc. Under this scheme, short term loans for agriculture and allied activities including animal husbandry, dairy, fisheries etc. upto Rs.3.00 lakh is available to farmers at an interest rate of 7% per annum, Additional 3% subvention is also given to the farmers for prompt and timely repayment of loans; thus reducing the effective rate of interest to 4% per annum.

Details of category-wise funds released during the last three years under MISS is as under:-

Year	Category	Release (in Rs. crore)
2019-20	General	12256.76
	SC	2695.11
	ST	1266.88
2020-21	General	14657.17
	SC	1800.80
	ST	1331.75
2021-22	General	20032.802
	SC	900.641
	ST	543.49

2. As informed by Department of Financial Services (DoFS), Ministry of Finance, under the Kisan Credit Card Scheme, credit facility is provided to the farmers to meet their short-term credit requirements for cultivation of crops which, inter-alia, includes expenses towards purchase of chemicals and fertilisers.

The total amount of outstanding loan to farmers under the KCC during the last three years is given below:

Year	Amount of KCC loan outstanding (in Rs. Lakh crore)
2019-20	7.44
2020-21	7.53
2021-22	9.39
