

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 2262 TO BE ANSWERED ON : 21.03.2023

Fertilizer subsidies

2262. SHRI MOHAMMED NADIMUL HAQUE:

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

- (a) the average price of fertilizers in the last five years, year-wise;
- (b) the total amount of fertilizer subsidy received by the farmers during the said period;
- (c) the amount allocated and the amounts actually disbursed with regard to fertilizer subsidies in the Budgets of the past five years;
- (d) whether Government has any alternative mechanisms in place to address the issue of high fertilizer prices for farmers; and
- (e) if so, the details thereof, if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) : Sir, the MRP of urea (exclusive of charges towards neem coating and taxes as applicable) during last five years is as under:

Year	Bag size (in Kg)	Price of urea (in Rs)
2018	50/45	268/242
2019	45	242
2020	45	242
2021	45	242
2022 to till date	45	242

Further, Government has implemented Nutrient Based Subsidy Policy w.e.f. 1.4.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the policy, a fixed amount of subsidy, decided on annual/semi-annual basis, is provided on subsidised P&K fertilizers depending on their nutrient content. Also, under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government. Thus, the NBS policy is market driven and the prices of P&K fertilizers i.e. the prices of DAP, superphosphate, NPK fertilizers are fixed by fertilizer companies. However, the subsidy given for these fertilizers under NBS policy during 2018-19 to 2022-23 is at **Annexure A**.

(b) & (c): Under the NBS scheme, the subsidy is given to registered P&K fertilizers manufacturers/importers which provide these fertilizers at subsidized price to farmers. The total amount allocated and the amounts actually disbursed with regard to fertilizer subsidies in the budget of the past five years are as under:

(Rs. in Crore)

Fertilizers Subsidy		
Years	Final Allocation	Actual Expenditure
2022-23	254798.88	252625.00 (upto 14.3.2023)
2021-22	162072.13	157640.09
2020-21	138527.30	131229.50
2019-20	83467.85	83467.85
2018-19	73435.20	73435.20

(d) & (e): Urea is 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). 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. Accordingly, all farmers are being supplied urea at the subsidized rates.

As far as P&K fertilizers are concerned, in view of the increased international prices of finished fertilizers as well as its raw materials, Government of India under its Nutrient Based Subsidy (NBS) scheme has increased the subsidy for P&K fertilizers considerably over these years to absorb the pressure falling on farmers. The per kg subsidy rates for nutrients viz. N, P, K and S under NBS scheme is as under:

S. No.	Nutrients	NBS (Rs. Per Kg of Nutrient) (from 01.04.2021 to 19.05.2021)	NBS (Rs. Per Kg of Nutrient (from 20.05.2021 to 31.03.2022) **	NBS (Rs. Per Kg of Nutrient) (from 01.04.2022 to 30.09.2022)	NBS (Rs. Per Kg of Nutrient) (from 01.10.2022 to 31.3.2023)
1.	N	18.789	18.789	91.96	98.02
2.	P	14.888	45.323	72.74	66.93
3.	K	10.116	10.116	25.31	23.65
4.	S	2.374	2.374	6.94	6.12

** A special one-time package with additional subsidy has been provided (effective from 01.10.2021 to 31.3.2022) for DAP at Rs.8769/MT and 3 most consumed NPK fertilizers (10:26:26, 20:20:0:13 and 12:32:16) at Rs. 2000/MT for each grade in order to make P&K fertilizers available at affordable prices to the farmers.

NOTE: An Additional Cost on production/ imports of DAP from 25.10.2021 to 31.3.2022 within a ceiling of Rs. 8000 at no profit/ no loss was also provided so that DAP (most consumed Phosphatic fertilizers by farmers) may be made available at affordable rates to farmers.

ANNEXURE - A**Per MT subsidy on different P&K fertilizers during 2018-19 to 2022-23:**

Sl. No.	Fertilizer Grades(FG) (N P K S nutrient)	2018-19	2019-20	2020-21	2021-22	2022 (Kharif)	2022 (Rabi)
1.	DAP (18-46-0-0)	0402	0402	0231	3000	0013	8433
2.	MAP (11-52-0-0)	991	991	809	5635	7940	5588
3.	TSP (0-46-0-0)	999	999	848	0849	3460	0789
4.	MOP (0-0-60-0)	674	674	070	070	5186	4188
5.	SSP (0-16-0-11)	734	826	643	513	513	513
6.	16-20-0-13	421	530	292	2379	0164	9866
7.	20-20-0-13	177	286	044	5131	3842	3787
8.	20-20-0-0	823	823	735	2822	2940	2991
9.	28-28-0-0	553	553	430	7951	6116	6188
10.	10-26-26-0	739	739	380	8293	4689	3353
11.	12-32-16-0	917	917	637	0377	8362	6965
12.	14-28-14-0	464	464	215	6737	6785	5775
13.	14-35-14-0	529	529	258	9910	1877	0460
14.	15-15-15-0	786	786	569	1134	8502	8290
15.	17-17-17-0	691	691	445	2619	2302	2063
16.	19-19-19-0	596	596	321	4103	6102	5835
17.	Ammonium Sulphate (20.6-0-0-23)	501	694	398	398	0448	1503
18.	16-16-16-0	239	239	007	1876	0402	0177
19.	15-15-15-9	031	107	783	1348	9126	8841

20.	24-24-0-0	188	188	082	5387	9528	9590
21.	24-24-0-8 without subsidy on S	188	188	002	5387	9528	9590
22.	14-28-0-0	NA	NA	799	5321	3242	2464
23.	8-21-21	NA	NA	NA	3145	7947	6864
24.	9-24-24	NA	NA	NA	4996	1808	0561
25.	PDM (0-0-14.5-0)	NA	NA	NA	467	467	467

NA means not covered under NBS regime.

An amount of Rs. 300 PMT and Rs 500 PMT additional subsidy is provided on subsidized P&K fertilizers fortified/coated with micronutrients namely Boron (B) and Zinc (Zn) respectively during the year 2010-11 to 2022-23.
