

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 347 TO BE ANSWERED ON: 06.02.2024

Urea Subsidy Scheme

347 SHRI VIJAY PAL SINGH TOMAR:

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

- (a) whether Government has taken cognizance of the complexities involved in transferring urea subsidy directly into the accounts of farmers;
- (b) if so, the steps taken by Government to remove these complexities;
- (c) whether Government has developed a robust mechanism to expeditiously resolve the issues related to settlement of subsidy amount of urea manufacturing units; and
- (d) if so, the details thereof and if not, whether Government is planning to set up any such mechanism?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS
(SHRI BHAGWANTH KHUBA)

(a) & (b): At present, DBT system entails 100% payment of subsidy to the fertilizer manufacturing companies on the basis of actual sales made by the retailer to the beneficiaries through Point of Sale (PoS) machine. Therefore, the question does not arise.

(c) & (d): Government provides subsidy on various fertilizers to ensure adequate availability of fertilizers at affordable prices to the farmers. Under the Direct Benefit Transfer (DBT) in Fertilizers System, 100% subsidy on various fertilizer grades is released to the fertilizer companies, based on actual sales to the beneficiaries by Aadhaar authentication through Point of Sales (POS) devices installed at each retail shop. All the Fertilizer sale transactions are captured online in the Integrated Fertilizer Management System (iFMS) system on real time basis. The claims are processed on a weekly basis and the amount of subsidy is being remitted to the company's bank account through electronic mode based on the actual sales made through PoS machines.
