

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**RAJYA SABHA**  
**UNSTARRED QUESTION NO.3557 TO BE ANSWERED ON 24.03.2026**

**Urea subsidy and fertilizer availability**

**3557. Smt. Renuka Chowdhury:**

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

- (a) the year-wise allocation, actual expenditure and outstanding dues under the urea subsidy during the last five years;
- (b) whether it is a fact that the urea subsidy has been reduced in the current financial year despite reported shortages of fertilizers across several States during peak agricultural seasons and the reasons therefor;
- (c) whether the reduction in subsidy has contributed to supply constraints, higher black-marketing or increased hardship for farmers; and
- (d) the current status of nano urea, including year-wise production, distribution, farmer adoption, crop-wise and State-wise usage and evidence of its effectiveness in reducing conventional urea demand?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS  
**(SMT. ANUPRIYA PATEL)**

**(a):** The details of the total amount allocated and disbursed towards urea subsidy by the Government during the last five years i.e. 2020-21 to 2024-25 are as follows:

<i>(Figures In Rs. Crore)</i>			
<b>Financial Year</b>	<b>Subsidy Scheme</b>	<b>Allocation</b>	<b>Expenditure</b>
2020-21	<b>Indigenous Urea &amp; Import of Urea</b>	<b>99,537.42</b>	<b>93,857.03</b>
2021-22	<b>Indigenous Urea &amp; Import of Urea</b>	<b>1,04,870.12</b>	<b>1,04,870.12</b>
2022-23	<b>Indigenous Urea &amp; Import of Urea</b>	<b>1,68,676.70</b>	<b>1,68,676.70</b>
2023-24	<b>Indigenous Urea &amp; Import of Urea</b>	<b>1,30,221.00</b>	<b>1,30,220.94</b>
2024-25	<b>Indigenous Urea &amp; Import of Urea</b>	<b>1,24,319.50</b>	<b>1,24,319.50</b>

The subsidy payable to individual fertilizer companies under the various subsidy schemes of Department of Fertilizers is disbursed through an online system. 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 remitted to the company's bank account through electronic mode based on the actual sales made through PoS machines. The payment of bills is processed on "First in First out (FIFO)" principle in the sequence of the receipt of same based on duly completed bills received in the Department, which is a dynamic process. Then, claims raised by the companies are also sent back for corrections and modifications following laid down provisions resulting in accumulation of pending claims. The Department is responsible for payment of bills only when bills, duly completed in all respects, are generated by the Fertilizer companies. Incomplete claims are not accepted.

**(b) & (c):** Under the Urea Subsidy Scheme, 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.

The availability of Urea has remained adequate across the country during the Kharif-2025 season and ongoing Rabi 2025-26 season. Whenever any shortage of funds is noticed, the Department immediately makes all the possible efforts to get additional funds under supplementary grants or revised estimates as per procedure.

In order to address the issues of hoarding, diversion and black-marketing, fertilizers are declared as an essential commodity under the Essential Commodities Act, 1955 and notified under Fertilizer Control Order, 1985. State Governments are empowered to take action against persons involved in said malpractices, as per provisions of EC Act. Any complaints received at Department of Fertilizers level regarding these malpractices is sent to concerned State Government to take

appropriate action under Essential Commodities Act, 1955 and Fertilizer Control Order, 1985.

**(d):** The State-wise and financial year-wise sales and production data of Nano urea is placed at **Annexure**.

Further, for evidence on the effectiveness of Nano Urea in reducing the demand for conventional urea, an MoU has been signed between National Productivity Council (NPC) of India and Department of Fertilizers on 5th March, 2024 to undertake the study of Nano Urea on "Evaluating Efficacy, Utility and Impact of Nano Urea in comparison to Conventional Urea". As per the NPC assessment based on the farmers feedback, Nano Urea must be used only as a foliar application, while the basal dose must continue to be supplied through Conventional Urea, which remains essential even when Nano Urea is used. Combined application, Conventional Urea as basal and Nano Urea as foliar, has shown 1.65% to 14.82% increase in crop yield, depending on the crop, based on farmer feedback.

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**Annexure referred in reply to part (d)of Rajya Sabha Un-Starred Question No. 3557 for answering  
on 24.03.2026**

<b>Nano Urea Production and sale (Lakh Bottles of 500ml each)</b>											
<b>S.No</b>	<b>State Name</b>	<b>2021-22</b>		<b>2022-23</b>		<b>2023-24</b>		<b>2024-25</b>		<b>2025-26 (Till 28.02.2026)</b>	
		<b>Production</b>	<b>Sales</b>	<b>Production</b>	<b>Sales</b>	<b>Production</b>	<b>Sales</b>	<b>Production</b>	<b>Sales</b>	<b>Production</b>	<b>Sales</b>
1	Andaman & Nicobar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Andhra Pradesh	0.00	5.80	0.00	4.80	0.00	3.24	0.92	3.01	5.34	6.83
3	Arunachal Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Assam	0.00	4.39	0.00	6.09	0.00	8.27	0.00	11.33	0.00	14.63
5	Bihar	0.00	14.84	0.00	28.56	0.00	12.82	0.00	12.15	0.00	6.79
6	Chandigarh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Chhattisgarh	0.00	5.23	0.00	11.02	0.00	4.33	0.00	3.56	0.00	3.48
8	Dadra and Nagar Haveli	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Daman and Diu	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Delhi	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Goa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Gujarat	290.00	8.75	375.44	17.60	3.39	27.61	145.51	30.10	66.39	12.21
13	Haryana	0.00	16.29	0.00	12.69	0.00	8.47	0.00	10.21	0.00	10.07
14	Himachal Pradesh	0.00	1.50	0.00	1.27	0.00	1.53	0.00	1.73	0.00	1.43
15	Jammu and Kashmir	0.00	2.01	0.00	3.00	0.00	2.95	0.00	1.26	0.00	1.09
16	Jharkhand	0.00	1.55	0.00	3.66	0.00	2.22	0.00	3.94	0.00	4.39
17	Karnataka	0.00	8.18	0.00	19.64	0.00	9.59	3.14	15.57	16.81	16.96
18	Kerala	0.00	1.00	0.00	1.20	0.00	0.60	0.00	0.76	0.00	0.82
19	Lakshadweep	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Madhya Pradesh	0.00	16.12	0.00	23.38	0.00	16.29	0.00	24.92	0.00	16.68
21	Maharashtra	0.00	16.51	0.00	25.04	0.00	14.98	0.00	35.64	0.00	16.09
22	Manipur	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
23	Meghalaya	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24	Mizoram	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
25	Nagaland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Odisha	0.00	4.18	0.00	11.21	0.00	6.78	0.00	5.78	0.00	8.15
27	Puducherry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Punjab	0.00	17.77	0.00	22.71	0.00	22.79	5.83	24.80	4.05	14.27
29	Rajasthan	0.00	15.02	0.00	25.23	0.00	20.08	0.00	22.08	0.00	18.87
30	Sikkim	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	Tamil Nadu	0.00	12.07	0.00	10.02	0.00	4.64	0.00	7.20	0.00	7.46
32	Telangana	0.00	5.87	0.00	6.00	0.00	3.09	0.00	5.31	0.00	9.97
33	Tripura	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Uttarakhand	0.00	1.40	0.00	2.34	0.00	1.68	0.00	1.76	0.00	1.41
35	Uttar Pradesh	0.00	40.63	99.68	63.52	87.23	22.59	240.34	30.78	120.08	13.89
36	West Bengal	0.00	13.02	0.00	26.36	0.00	12.42	0.00	21.79	0.00	15.66
<b>GRAND TOTAL</b>		<b>290.00</b>	<b>212.13</b>	<b>475.12</b>	<b>325.35</b>	<b>90.62</b>	<b>206.97</b>	<b>395.74</b>	<b>273.68</b>	<b>212.66</b>	<b>201.14</b>

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