

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 3396  
TO BE ANSWERED ON: 06.12.2016**

**Subsidy Payments**

**3396 SHRI SUNIL KUMAR MONDAL:**

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

- (a) whether the Government has not paid subsidy to the fertilizers company on time,
- (b) if so, the details of unpaid amount and the reasons therefor during last three years,
- (c) whether the nonpayment of subsidy dues has lead to severe financial crunch for fertilizers companies : and
- (d) if so, the details thereof and the reaction of the Government thereto?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS,  
SHIPPING, ROAD TRANSPORT & HIGHWAYS

**(SHRI MANSUKH L. MANDAVIYA)**

(a) : No, Madam. Government has made payment of subsidy to the fertilizers companies on regular basis subject to availability of budget.

(b) : The details of amount unpaid during each of the last three years against the claims received by the Department are as under:

**(Amount in crore)**

<b>Particular</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Indigenous Urea	221.47	148.31	483.68
Imported P&K Fertilizers	216.36	324.34	525.36
Indigenous P&K	406.838	1317.36	1019.68

Unpaid amount largely relates to balance claim as well as freight claim of previous years which could not be paid due to non-receipt of Proforma-B2 (Quality Certificate) from the State Governments or due to non availability of budget.

(c) & (d) : Non-payment of subsidy in time normally affects the working capital of the fertilizer companies. However, whenever shortages of funds were noticed, the Government tried to liquidate the pending subsidy by arranging loans under a Special Banking Arrangement (SBA) with consortium of Public Sector Banks. The quantum of loans availed under SBA in the past years is given as under:

<b>Year</b>	<b>Loan amount (Rs.in crore)</b>
2012-13	5000
2013-14	5500 9000
2014-15	7000

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