

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS
LOK SABHA
UNSTARRED QUESTION NO. 1017+ TO BE ANSWERED ON: 24.07.2018
Urea Subsidy

1017+ SHRI SUNIL KUMAR SINGH:

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

- (a) the details of total amount of subsidy being given on Urea to the farmers during the last three years;
- (b) the frequency of urea subsidy being given to the farmers in a year;
- (c) whether any ceiling has been fixed in this regard and if so, the details thereof;
- (d) the manner in which urea subsidy is being given to farmers presently;
- (e) whether the Government proposes to issue smart cards to the farmers for purchasing fertilizers and if so, the details thereof;
- (f) whether the farmers will get urea subsidy only twice a year through smart card and if so, the details and the reasons thereof; and
- (g) the details of the annual demand of urea in the State of Jharkhand?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING
AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(RAO INDERJIT SINGH)

(a) to (d): The Department of Fertilizers provides subsidy to the Manufacturers/Importers of fertilizers for providing fertilizers to farmers at subsidized rates. Urea is being provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The difference between the delivered cost of fertilizers at farm gate and net market realization by the urea units is given as subsidy to the Urea Manufacturers/Importers by the Government of India. The details of Urea Subsidy paid to the companies during the last three years may be seen at **Annexure I**.

(e) & (f): The Government has introduced Kisan Credit Card (KCC) scheme which enables farmers to purchase agricultural inputs such as seeds, fertilizers, pesticides etc. and draw cash to meet their agricultural and consumption needs. The KCC scheme has since been simplified. It has the provision of ATM enabled Debit Card with inter-alia facilities of one-time documentation and built-in cost escalation in the limit etc. With a view to facilitate financial transactions by farmers on digital platform, Government has decided to convert the KCCs to RuPay KCCs (RKCCs) in a time bound manner. The conversion of operative/live KCCs into RuPay/ATM-enabled KCCs will enable easy and hassle free availability of credit to farmers and is likely to reduce the interest liability as it would encourage need based drawl of credit.

(g): Department of Agriculture Cooperation & Farmers Welfare in consultation with States/UTs assesses the requirement (demand) of all fertilizers before the start of each season separately (Kharif and Rabi Season). For the year 2017-18, the projected demand of Urea in the State of Jharkhand was 2.40 Lakh MT. This year

i.e. 2018-19, for the Kharif season (from April 2018 to September 2018), the projected demand of Urea is 1.70 Lakh MT.

-: 2 :-

Annexure I

| Statement showing sector wise/unit wise subsidy paid on Indigenous Urea (Rupees in Crores) | | | | |
|---|---------------------------|----------------------------------|-----------------|-----------------|
| S. No. | Unit | Subsidy paid/ (recovered) | | |
| | | 2015-16 | 2016-17 | 2017-18 |
| (A) | Public Sector | | | |
| 1 | RCF-Thal | 2595.28 | 3328.60 | 3343.98 |
| 2 | RCF-Trombay | 613.73 | 825.57 | 792.29 |
| 3 | MFL | 933.28 | 1331.44 | 852.13 |
| 4 | NFL-BHATINDA | 1763.11 | 1559.39 | 1017.35 |
| 5 | NFL-PANIPAT | 1594.57 | 1425.68 | 1292.80 |
| 6 | NFL-VIJAIPUR-I | 1098.84 | 1316.72 | 1426.96 |
| 7 | NFL-VIJAIPUR-II | 1364.55 | 1413.34 | 1606.77 |
| 8 | NFL-NANGAL | 1661.96 | 1377.64 | 1277.16 |
| 9 | BVFCL-Namrup-III | 268.2 | 284.06 | 342.52 |
| 10 | BVFCL-Namrup-II | 101.48 | 94.95 | 88.84 |
| 11 | GSFC (State Govt.) | 311.13 | 664.18 | 551.98 |
| 12 | GNFC (State Govt.) | 1558.47 | 1524.98 | 1224.54 |
| | TOTAL | 13864.60 | 15146.55 | 13817.32 |
| (B) | Cooperative Sector | | | |
| 1 | KRIBHCO | 2935.68 | 3151.23 | 2828.19 |
| 2 | IFFCO-PHULPUR-II | 1120.92 | 1104.52 | 1680.65 |
| 3 | IFFCO-PHULPUR-I | 1951.45 | 1546.47 | 1210.58 |
| 4 | IFFCO-KALOL | 869.92 | 906.81 | 862.66 |
| 5 | IFFCO-AONLA-I | 1547.07 | 1411.90 | 1139.64 |
| 6 | IFFCO-AONLA-II | 1591.22 | 1330.83 | 1158.72 |
| | TOTAL | 10016.26 | 9451.76 | 8880.44 |
| (C) | Private Sector | | | |
| 1 | NFCL-I | 386.32 | 1015.53 | 1101.03 |
| 2 | NFCL-II | 630.28 | 1043.10 | 1000.82 |
| 3 | CFCL-I | 1375.82 | 1506.73 | 1294.84 |
| 4 | CFCL-II | 1620.19 | 1606.37 | 1519.35 |
| 5 | TATA CHEMICALS | 1619.97 | 1562.16 | 1530.45 |
| 6 | ZACL | 1439.63 | 832.92 | 744.11 |
| 7 | SFC | 536.34 | 682.34 | 615.87 |
| 8 | INDOCULF/GRASIM | 1623.85 | 1542.60 | 1349.51 |
| 9 | SPIC | 1137.22 | 1700.72 | 1496.23 |
| 10 | KSFL/KFL | 1433.84 | 1334.2J | 1151.07 |
| 11 | MCFL | 760.19 | 1083.82 | 725.20 |
| 12 | KFCL | 1755.49 | 1491.17 | 1747.46 |
| | TOTAL | 14319.14 | 15401.69 | 14275.94 |
| | GRAND TOTAL | 38200.00 | 40000.00 | 36973.70 |
