

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO.290 TO BE ANSWERED ON 21.07.2023**

**Fertilizer Subsidy**

**290: SHRI JUGAL KISHORE SHARMA:  
SHRI RAMESH CHANDER KAUSHIK:  
SHRIMATI RAMA DEVI:  
SHRIMATI NAVNEET RAVI RANA:  
MS. LOCKET CHATTERJEE:  
SHRI SUNIL KUMAR PINTU:  
SHRIMATI RITI PATHAK:  
SHRI AJAY KUMAR MANDAL:**

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

- (a) the details of subsidies provided by the Government for various fertilizers in different States including Sonipat district in Haryana during each of the last three years and the current year, State/UT-wise, fertilizer-wise and year-wise;
- (b) whether the poor and marginalised farmers are getting the benefits of said subsidy;
- (c) if so, the details thereof;
- (d) whether Government proposes to transfer the fertiliser subsidies directly into the bank accounts of the farmers through Direct Benefit Transfer (DBT); and
- (e) if so, the details thereof along with the time-frame by which the Government is likely to take the final decision in this regard?

**ANSWER**

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

**(SHRI BHAGWANTH KHUBA)**

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(a): Under the 'DBT in Fertilizers' system, 100% subsidy on various fertilizer grades is released to the fertilizer companies, based on actual sales to the beneficiaries through POS devices installed at each retail shop. The details of subsidy disbursed on fertilizer for the last three years and the current year in different States including Sonipat district of Haryana is as follows:

FINANCIAL YEAR	Subsidy Schemes (Amount in Crores)					Grand Total
	IMPORTED P&K	INDIGENOUS P&K	CITY COMPOST	INDIGENOUS UREA	IMPORTED UREA	
2020-21	15015.37	22288.36	68.74	68807.41	25049.62	<b>131229.50</b>
2021-22	20795.74	31931.46	43.31	54619.72	50250.40	<b>157640.63</b>
2022-23	36032.56	50089.67	0	127311.05	41365.60	<b>254798.88</b>
2023-24 (as on 17.7.23)	7593.72	9794.02	0	28656.00	4565.31	<b>50609.05</b>
<b>Grand Total</b>	<b>79437.39</b>	<b>114103.51</b>	<b>112.05</b>	<b>279394.18</b>	<b>121230.93</b>	<b>594278.06</b>

(b) & (c): With regard to urea fertilizer, 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 subsidized rates.

In respect of P&K Fertilizers, the 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 basis, is provided on subsidised P&K fertilizers depending on their nutrient content. Under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government.

Accordingly, any farmer who is buying these fertilizers is getting benefits of subsidy.

(d) & (e): The Nodal Committee constituted to formulate the policy relating to implementation of DCT of fertilizer subsidy to farmers has decided that the State Governments are in the best position to identify the beneficiaries and their entitlement for quantity of fertilizers they required on the basis of field surveys, cropping pattern, soil health, irrigation status etc. On the issue of modalities of cash transfer, the Committee decided that if the entitlement information is transferred to iFMS (Integrated Fertilizer Management System) through API (Application Programming Interface) to POS (Point of Sale) machines, then this would itself amount to a virtual fund transfer and transferring any money would not be required.

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