

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO.2004 TO BE ANSWERED ON 06.12.2024

Subsidy on Fertilizer

2004: SHRI DARSHAN SINGH CHOUDHARY:

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

- (a) the extent of subsidy being provided by the Government on total fertilizer allocation for the year 2024-25;
- (b) the scheme of the Government for upgradation of the fertilizer plants; and
- (c) the initiatives being taken to promote organic and natural farming methods?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a): Budget Estimates (BE) for the year 2024-25 for subsidy on fertilizers is Rs.1,68,054 Crore.

(b): There is no scheme for upgradation of fertilizer plants. P&K fertilizers are covered under Open General License (OGL) and companies are free to import/produce these fertilizers as per their business dynamics. Based on examination of requests received, permission is granted to the fertilizer companies for increasing their manufacturing capacity and for induction of new P&K companies & their fertilizer products under Nutrient Based Subsidy Policy, with a view to boost manufacturing and make country self-reliant in fertilizer production.

Under New Investment Policy (NIP), to facilitate fresh investment in the Urea Sector and to make India self-sufficient in the Urea Sector under which 6 new urea units have been set up, with a production capacity of 12.7 Lakh MT each. Further, an exclusive policy for the revival of Talcher unit of FCIL through JVC of nominated PSUs namely Talcher Fertilizers Limited (TFL) by setting up a new Greenfield urea plant of 12.7 LMTPA at coal gasification route has also been approved. In addition, the Government also notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for the existing 25 gas-based urea units with one of the objectives of maximizing indigenous urea production beyond RAC. These steps together have facilitated increase of Urea production from level of 225 LMT per annum during 2014-15 to a record Urea Production at 314.09 LMT during 2023-24.

(c): Government is promoting organic farming on priority in the country for improving soil health and water retention through of Paramparagat Krishi Vikas Yojana (PKVY) in all the States/UTs and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER). Under PKVY, assistance of Rs. 31,500 per ha for a period of three years is provided for promotion of organic farming to cover different components. Out of this, assistance of Rs. 15,000 per ha for a period of three years is provided to farmers through Direct Benefit Transfer for on- farm /off –farm organic inputs majority biofertilizers. Under MOVCDNER, assistance of Rs. 46,500/ha for 3 years is provided for creation of Farmers Producer Organization, support to farmers for organic inputs etc. Out of this, assistance @ Rs. 32500/ ha for 3 years is provided to farmers for off -farm /on –farm organic inputs under the scheme including Rs. 15,000 as Direct Benefit Transfer to the farmers.

The Government has approved the Market Development Assistance (MDA) @ Rs.1500/MT to promote organic fertilizers, viz., FOM/LFOM/PROM produced at plants under GOBARdhan initiative covering different Biogas/CBG support schemes/programmes of stakeholder Ministries/Departments such as Sustainable Alternative Towards Affordable Transportation (SATAT) scheme of MoPNG, 'Waste to Energy' programme of MNRE, Swachh Bharat Mission (Rural) of DDWS, etc. with total outlay of Rs. 1451.84 Crore (FY 2023-24 to 2025-26).

To promote natural farming methods, the Government of India has approved the National Mission on Natural Farming (NMNF) in its Cabinet meeting held on 25th November 2024 as a standalone centrally sponsored scheme with an overall outlay of ₹2481 crore. The Mission has a target to initiate natural farming in 7.5 Lakh ha land across the country.
