

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 5635 TO BE ANSWERED ON: 04.04.2025

Outstanding amount of subsidy

5635. SHRI MALVINDER SINGH KANG:

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

- (a) the accumulated outstanding amount of subsidy payable to individual fertilizer industries at the end of 2024;
- (b) the reasons for accumulation of the outstanding amount;
- (c) the overall effect thereof on the performance of fertilizer industries; and
- (d) the steps taken for improving the situation?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a): The subsidy provided by the Government for fertilizers in the year 2024-25 under various schemes, namely Import of Urea, Indigenous Urea (including MDA), Imported P&K, and Indigenous P&K is Rs. 21,000 Crore, Rs. 1,03,335.5 Crore, Rs. 18,800 Crore, and Rs. 34,010 Crore. The details of accumulated outstanding amount of subsidy payable to individual fertilizer industries under various schemes at the end of 2024 was as under:

Sl. No.	Fertilizer Industry/Scheme	Pending claim as on 31.12.2024 (in Rs. Crores)
1	Import of Urea	443.13
2	Indigenous Urea	0
3	Imported P&K	2563.62
4	Indigenous P&K	2794.20
	Total	5800.95

(b) & (c): The Government provides subsidy to ensure adequate availability of fertilizers at affordable prices to the farmers. Under 'DBT in Fertilizers' system, 100% subsidy on various fertilizer grades is released to the fertilizer companies, on

actual sales to the beneficiaries based on Aadhar authentication through POS devices installed at each retail shop. 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. Further, 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 and not for incomplete claims.

(d): 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.
