

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO.956 TO BE ANSWERED ON 05.12.2025**

**Supply of Fertilizers**

**956. Shri Atul Garg:**

**Shri Rajesh Verma:**

**Dr. Lata Wankhede:**

**Smt. Shambhavi:**

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

- (a) the total subsidy provided under the Nutrient-Based Subsidy (NBS) Scheme for fertilizers during the last three financial years, with specific details regarding the share allocated to Uttar Pradesh, year-wise;
- (b) the measures being taken by the Government to ensure the availability, timely supply, and affordability of fertilizers for farmers in Uttar Pradesh, particularly in drought-prone and agrarian regions including steps to streamline supply chains and prevent hoarding or price inflation, district-wise; and
- (c) whether any cases of irregularities, mismanagement or fraudulent subsidy claims related to fertilizer distribution have been reported in Uttar Pradesh and if so, the details of such cases along with the corrective and punitive actions taken by the Government to address them?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

**(a):** 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. All farmers are being supplied fertilizers at subsidized rates on no-denial basis. The year-wise details of fertilizer subsidy provided by Government under the Nutrient Based Subsidy (NBS) Scheme during the last three financial years are as follows:

(Rs. in crore)

Financial Year	Imported P&K	Indigenous P&K	Grand Total
2022-23	36032.56	50089.67	86122.23
2023-24	28929.57	36270.00	65199.57
2024-25	18800.00	34010.00	52810.00
<b>Grand Total</b>	<b>83762.13</b>	<b>120369.67</b>	<b>204131.80</b>

**(b):** Following steps are taken by the Government before every season to ensure adequate and timely availability of fertilizers across the country including the State of Uttar Pradesh:

- (i) Before the commencement of each cropping season, Department of Agriculture and Farmers Welfare (DA&FW), in consultation with all the State Governments, assesses the State-wise & month-wise requirement of fertilizers;
- (ii) On the basis of requirement projected by DA&FW, D/o Fertilizers allocates adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability;
- (iii) The movement of all major subsidized fertilizers is monitored throughout the country by an on-line web-based monitoring system called integrated Fertilizer Monitoring System (iFMS);
- (iv) The State Governments are regularly advised to coordinate with manufacturers and importers for streamlining the supplies through timely placement of indents;
- (v) Regular Weekly Video Conference is conducted jointly by DA&FW and D/o Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.
- (vi) Distribution of fertilizers within the State at district/block/village level is done by the concerned State Government.

With regard to price control, the Government has implemented Nutrient Based Subsidy Policy w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under NBS policy, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/manufacture these fertilizers as per their business dynamics. The NBS subsidy is provided to manufacturer / importer on notified P&K

fertilizers on its PoS sale during the season, depending on their nutrient content to ensure availability of fertilizers to farmers. The volatility in international prices of key fertilizers and raw materials is considered while fixing NBS rates for P&K fertilizers so that fertilizers remain affordable to the farmers. NBS scheme is implemented on pan-India basis including the State of Uttar Pradesh and no regional differentiation is made. Moreover, to make DAP available at affordable price of Rs. 1350 per 50 kg bag, special provisions like Rs. 3500 per MT to cover 'Other Costs' which includes costs incurred from factory gate to farm gate, advantage / disadvantage due to increase / decrease in international prices, provision for GST component included in the MRP and provision for reasonable return @ 4% of net MRP (MRP-GST) have been extended to both imported and domestic DAP and imported TSP over and above NBS subsidy for Rabi 2025-26 season to keep the prices of fertilizers stable.

To ensure streamlined supply chains and prevent hoarding or price inflation, fertilizers are declared as an essential commodity under the Essential Commodities Act, 1955 and notified under Fertilizer Control Order, 1985. State Governments are empowered to take action against persons involved in black-marketing, hoarding and overpricing, as per provisions of EC Act. Any complaints received at Department of Fertilizers level regarding black-marketing, hoarding and overpricing of fertilizers are forwarded to the concerned State Government to take appropriate action under Essential Commodities Act, 1955 and Fertilizer Control Order, 1985.

(c): No cases of fraudulent subsidy claims have been reported. However, to curb other irregularities such as black-marketing, hoarding, and distribution related malpractices, the State Government has undertaken various enforcement measures. These include the issuance of 2436 show-cause notices, suspension/cancellation of 3018 licenses, and registration of 197 FIRs in Uttar Pradesh during the current financial year (up to 28.11.2025).

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