

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 4773 TO BE ANSWERED ON 20.03.2026

Distribution of Fertilizer Subsidy

4773. Dr. M P Abdussamad Samadani:

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

- (a) the manner in which the distribution of fertilizer subsidy through DBT (Direct Benefit Transfer) is successful;
- (b) the steps taken to address the shortage in availability of fertilizer to farmers;
- (c) the existing laws to control the use of harmful chemicals;
- (d) the measures taken by the Government to reduce pollution from fertilizer manufacturing units; and
- (e) the quantum of remaining fertilizer subsidy arrears for farmers in Kerala?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SMT. ANUPRIYA PATEL)

(a): The Direct Benefit Transfer (DBT) in Fertilizers mechanism has been implemented. Under 'DBT in Fertilizers' system, 100% subsidy on various fertilizer grades is released to the fertilizer companies, on actual sales of subsidized fertilizers to the beneficiaries based on Aadhaar authentication through PoS devices installed at each retail shop. Accordingly, all farmers are being supplied fertilizers at the subsidized rates. Fertilizer companies generate/submit weekly subsidy claims based on PoS-recorded sales, which are processed in a chronological manner on a First-In-First-Out (FIFO) basis, subject to completeness of claims, with a view to ensuring effective monitoring, timely settlement and efficient fund management.

(b): Following steps are taken by the Government every season for ensuring timely and adequate availability of fertilizers in the country:

- (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, Department of 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 Management 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) The distribution of fertilizes within the State at district level is done by the concerned State government.

(c): The Environment (Protection) Act, 1986 is the umbrella legislation providing the Central Government power to take all necessary measures to protect the environment, including regulating, restricting, or prohibiting the handling of hazardous chemicals. Under the provisions of the Environment Act, 1986, Hazardous Chemicals (Manufacture, Storage and Import) Rules, 1989 has been notified by the Ministry of Environment Forest and Climate Change (EFCC). These rules focus on industries that deal with the manufacturing, storage, and import of hazardous chemicals. They aim to mitigate risks associated with chemical accidents and ensure safe handling and storage practices. The rules also outline the need for emergency plans and safety audits to prevent and respond to chemical accidents.

(d): The Ministry of Environment, Forests and Climate Change has notified effluent and emission discharge standards for fertilizer industries through GSR 1607(E) dated December 29, 2017. It is mandatory for all the fertilizer industries to operate only after receiving Consent to Operate from respective State Pollution Control Boards / Pollution Control Committees. It is mandatory for all the fertilizer industries to have adequate Effluent Treatment System and adequate Air Pollution Control System and to comply with the prescribed effluent and emission discharge standards. Central Pollution Control Board / State Pollution Control Boards / Pollution Control Committees take action on those industries that fail to comply with the notified effluent and emission discharge standards.

Central Pollution Control Board (CPCB) has issued directions to all 17 categories of highly polluting industries including Fertilizer industries to install Online Continuous Effluent / Emission Monitoring System (OCEMS) with real time data connectivity to CPCB. CPCB conducts regular inspections of the industries based on exceedance alerts of OCEMS or if OCEMS becomes offline. Based on the observations of inspections, CPCB takes action on the defaulter industries as per extant rules.

(e): Under the 'DBT in Fertilizers' system, 100% subsidy on various fertilizer grades is released to the fertilizer manufacturing/ importing companies, on actual sales to the beneficiaries based on Aadhaar authentication through PoS devices installed at each retail shop. Funds are not allocated or disbursed in a district-wise or constituency-wise manner.
