

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

STARRED QUESTION NO. *285 TO BE ANSWERED ON 07.08.2026

Release of Subsidy to Fertilizer Companies under DBT System

***285. SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH:
DR. C M RAMESH:**

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

(a) whether fertilizer subsidy under the Direct Benefit Transfer (DBT) system is released to fertilizer companies on the basis of Aadhaar-authenticated sales through PoS devices, if so, the details thereof.

(b) whether the Government has received complaints from farmers and fertilizer retailers regarding Aadhaar authentication failures, poor internet connectivity, biometric mismatches, exclusion of tenant farmers, delays in the supply of subsidised fertilizer or subsidy settlement across the country, if so, the details thereof, State/district-wise including Maharashtra and Andhra Pradesh.

(c) whether the Government has made any assessments regarding the impact of the DBT mechanism on timely availability of subsidized fertilizers, reduction in diversion and transparency in subsidy delivery during the sowing seasons across the country including the said States, if so, the findings thereof.

(d) the total fertilizer subsidy disbursed, and quantity of subsidised fertilizers supplied to Maharashtra during the last three years, year-wise; and

(e) the corrective measures taken to ensure uninterrupted fertilizer availability, strengthen the DBT system and provide alternative authentication mechanisms for farmers facing genuine difficulties?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. *285 TO BE ANSWERED ON 07.08.2026 REGARDING “RELEASE OF SUBSIDY TO FERTILIZER COMPANIES UNDER DBT SYSTEM” TABLED BY SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH AND DR. C M RAMESH:

- (a) Yes, 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 Aadhaar authentication through PoS devices installed at each retail shop. The details of total fertilizer subsidy disbursed during the last three years i.e. 2023-24 to 2025-26 by the Government is placed at **Annexure I**.
- (b) Under the Direct Benefit Transfer (DBT) in Fertilizers, the sale of subsidised Fertilizers is made with due Aadhaar based verification of the beneficiary i.e., the farmer under Section 7 of Aadhaar Act 2016. Under DBT in Fertilizers, the sale is made on no denial basis i.e., all eligible farmers get the benefits of subsidised fertilizers including tenant farmers. Furthermore, following Steps are taken by the Government every season for ensuring timely and adequate supply of fertilizers across the States/ UTs, including the States of Andhra Pradesh and Maharashtra:
- 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. On the basis of requirement projected by DA&FW, Department of Fertilizers (DoF) allocates adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability.
 - ii. 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).
 - iii. The gap between demand (requirement) and production for Urea & other fertilizer is met through imports. The import for the season is also finalized well in advance to ensure timely availability.
 - iv. The State Governments are regularly advised to coordinate with manufacturers and importers for streamlining the supplies through timely placement of indents.

- v. Regularly coordinate with the Ministry of Railways for giving sufficient rakes, priority to fertilizers and for timely evacuation of rakes for States.
- vi. The distribution of fertilizers within the State at district level is done by the concerned State government.

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.

- (c) The Direct Benefits Transfer (DBT) mechanism is for the identification of the beneficiaries i.e. the farmer under Section 7 of Aadhaar Act 2016. 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.

Additionally, to ensure equitable distribution among farmers and to curb diversion of subsidised fertilizers, a monthly ceiling of 50 bags per buyer per month is placed for equitable distribution of fertilizers except for Jammu & Kashmir which is having the ceiling of 60 bags per buyer per season. Based on the purchase, various reports are made available in the iFMS Dashboards for monitoring by respective State Officials. Additionally, under the 'Framework for Fertilizer Sale' rolled out in 56 identified districts of 22 States as on 05.08.2026, the fertilizer is being sold to the identified farmer as per General Fertilizer Recommendation (GFR) based on land area and crop sown. Ceiling of bags is different in the Pilot districts under the 'Framework for Fertilizer Sale' as decided by the respective states.

(d): The subsidy is released to Fertilizer companies, on actual sales to the beneficiaries based on Aadhaar authentication through PoS devices installed at each retail shop. Accordingly, all farmers including those in the state of Maharashtra are

being supplied fertilizers at the subsidized rates on no-denial basis. The Subsidized fertilizers supplied to Maharashtra State are UREA, DAP, MOP, NPKS. The quantity supply can be seen at **Annexure-II**.

(e): In order to ensure uninterrupted fertilizer availability and its monitoring, Integrated Fertilizer Management System (iFMS) is an online platform developed for real-time monitoring and management of fertilizer movement across the country. Under the system, real-time monitoring of fertilizer dispatches, allocation, rake placement, stock position and state-wise supply status is done by respective States and stakeholders. Section 7 of Aadhaar Act 2016 provides alternative Aadhaar based mode of authentication under the DBT mechanism.

Annexure-I

Annexure referred to in reply to part (a) of Lok Sabha Starred Question No. *285 for answering on 07.08.2026

<i>(Figures in Rs. Crore)</i>			
Nutrient Based Subsidy (NBS)	2023-24	2024-25	2025-26
(a) Indigenous P&K	36,270.00	34,010.00	41,000.00
(b) Imported P&K	28,929.57	18,800.00	33,999.99
NBS Total	65,199.57	52,810.00	74,999.99
Urea Subsidy			
(a) Indigenous Urea	1,02,027.00	1,03,319.50	94,219.50
(b) Import of Urea	28,193.94	21,000.00	47,956.24
Urea Subsidy Total	1,30,220.94	1,24,319.50	1,42,175.74
Total Subsidy (Gross)	1,95,420.51	1,77,129.50	2,17,175.73

Annexure-II

Annexure referred to in reply to part (d) of Lok Sabha Starred Question No. *285 for answering on 07.08.2026.

<i>(Figures in LMT)</i>				
Maharashtra	UREA	DAP	MOP	NPKS
2023-24	31.06	8.93	2.18	34.08
2024-25	32.72	7.13	3.45	37.86
2025-26	32.37	8.06	3.37	41.95