

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO.2229 TO BE ANSWERED ON 01.08.2025

Allocation and Disbursement of Subsidy for Fertilizers

2229. SHRI K RADHAKRISHNAN:

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

- (a) the total amount of subsidy allocated and disbursed by the Union Government for fertilizers during the last five years, year-wise;
- (b) the details of the major types of fertilizers for which subsidies have been provided; and
- (c) the steps taken by the Government to ensure timely disbursal and proper targeting of the fertilizer subsidy to benefit farmers across the country, State-wise including Kerala?

ANSWER

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

(a): The details of total amount of subsidy allocated and disbursed by the Union Government for fertilizers during the last five years (2020-21 to 2024-25) are as follows:

(Amount in Crores)

Financial Year	Amount Allocated	Amount Disbursed
2020-21	138527.30	131229.51
2021-22	162072.12	157640.08
2022-23	254798.88	254798.88
2023-24	197457.18	195420.51
2024-25	177129.50	177129.50

(b): Under the relevant policy framework of the Government, subsidy is provided for Urea and various NPK Complex Fertilizers including Di-Ammonium Phosphate (DAP), Muriate of Potash (MOP) and Single Super Phosphate (SSP). Further, subsidy is also provided to Non-Chemical Fertilizers such as Fermented Organic Manure (FOM), Liquid Fermented Organic Manure (LFOM) and Phosphate Rich Organic Manure (PROM).

(c): The Government has implemented a pan-India Direct Benefit Transfer (DBT) system to ensure the timely disbursal and proper targeting of fertilizer subsidy across the country, including in the State of Kerala. The DBT system entails payment of subsidy to the Fertilizers manufacturing/importing companies (except imported Urea) on the basis of actual sales through PoS machines by the retailer to the beneficiary. The buyer's identity is verified through Aadhar based authentication. Sale of fertilizer is being done on a 'no denial basis'. Any beneficiary can purchase fertilizer on the basis of Aadhaar authentication across the country. Additionally, the Government operates the Integrated Fertilizer Management System (iFMS) to enable real-time monitoring of fertilizer movement, stock positions, and sales across the country. This system ensures effective monitoring and smooth execution of the subsidy mechanism. Fertilizer companies generate weekly subsidy claims based on actual sales through PoS devices, and the claims are processed and settled by the Department on a First-In-First-Out (FIFO) basis, enabling timely settlement and efficient fund management.

These measures ensure timely release and proper targeting of fertilizer subsidies. All farmers, including those in Kerala, are supplied fertilizers at subsidized rates, and any farmer purchasing through authorized retailers directly avails the benefit of the Government subsidy.
