

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 3033 TO BE ANSWERED ON 09.08.2024

UREA SUBSIDY SCHEME

3033: SHRI DUSHYANT SINGH:

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

- (a) whether the Government has any urea subsidy scheme especially for the Kharif season; and
- (b) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b): Government of India has Urea Subsidy Scheme which is a Central Sector Scheme of the Ministry of Chemicals & Fertilizers applicable for both Kharif and Rabi seasons. The Scheme is wholly financed by the Government of India through Budgetary Support. Urea Subsidy Scheme has three components, i.e., Indigenous Urea, Imported Urea and Uniform Freight Subsidy. Indigenous urea subsidy is administered to the urea units towards indigenous urea production. Imported Urea subsidy is directed towards imports made to bridge the gap between assessed demand and indigenous production of urea in the country. Both components also include freight subsidy for movement of urea across the country under the Uniform Freight Subsidy Policy.

Under the Urea Subsidy Scheme, Urea is presently provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. The current Urea policies by which subsidy is being paid are New Pricing Scheme (NPS)-III, Modified NPS-III, New Investment Policy (NIP) – 2012 and New Urea Policy (NUP) – 2015. Accordingly, all farmers of the country are being supplied urea at the subsidized rates and thereby are beneficiaries of this scheme.
