

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:573

ANSWERED ON:25.02.2010

NON PAYMENT OF SUBSIDY

Maadam Shri Vikrambhai Arjanbhai;Paranjpe Shri Anand Prakash

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

- (a) The total subsidy provided by the Government on raw materials imported in the manufacture of fertilizers during each of the last three years and current years, product-wise;
- (b) Whether the fertilizer industry is facing a crisis on account of non-payment of subsidy due to them by the Government;
- (c) If so, the amount of subsidy and the period from which it is due; and
- (d) The measures being taken to resolve the crisis and the period for which the outstanding amount is likely to be paid to the fertilizer companies?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

- (a): There is no subsidy provided by the government for raw materials imported in the manufacture of fertilizers.
- (b to d): Due to inadequate allocation of budget, bills amounting to Rs. 12763.87 Crores is pending for payment. The subsidy in different heads is due from Nov.09 to Jan.10 depending on the type of fertilizers. Fertilizer subsidy budget has been increased from Rs. 53580.75 crores (B.E.) to Rs. 56580.75 crores (RE) in the current financial year. Efforts are also being made to provide more funds to clear the outstanding subsidy dues of the companies.