

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

UNSTARRED QUESTION NO:4411

ANSWERED ON:21.04.2015

ALLOCATION FOR CLEARANCE OF SUBSIDY ARREARS

Shekhawat Shri Gajendra Singh;Vanaroja Smt. R.

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

- (a) whether the Government proposes to revise the Nutrient Based Subsidy Scheme;
- (b) if so, the details thereof and the time by which it is likely to be revised;
- (c) Whether an additional allocation of Rs. 30,000 crore is required to clear subsidy arrears,
- (d) if so, the details thereof; and
- (e) whether the additional demand made is over and above the normal allocation and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a): No, Madam (b). Question does not arise.

(c) to (e); So far as subsidy on Phosphatic and Potassic fertilizers is concerned, there was no additional requirement of funds during 2014-15. However, due to payment of carried over liability on Urea subsidy amounting to about Rs.17628 crores for 2013-14 in the year 2014-15 and increase in subsidy on indigenous urea due to its higher production cost, there was an estimated shortage of funds for payment of subsidy on indigenous urea to the tune of Rs.27477 crore. In order to meet the outstanding subsidy claims on indigenous urea, additional demand was made for allocation under supplementary grants and also under revised estimates.

But no additional allocation was made to under the above head of account. However, after allocation of funds under BE 2015-16, the pending subsidy claims on indigenous urea are being cleared.

In order to meet the outstanding urea subsidy claims, a request was also made for allowing the Department to avail loans from PSU banks upto Rs.27477 crore under a Special Banking Arrangement (SBA). However, the request was not considered.