

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

UNSTARRED QUESTION NO:1277

ANSWERED ON:28.07.2015

Restructuring of Fertilizers Subsidy

Dhruvanarayana Shri Rangaswamy;Owaisi Shri Asaduddin;Rajoria Dr. Manoj

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

- (a) whether the Government proposes to restructure subsidy given on fertilizers to reduce the burden of exchequer;
- (b) if so, the details thereof;
- (c) whether it is a fact that unpaid bill of urea has accumulated worth crore of rupees and if so, the details thereof and the reasons therefor;
- (d) whether the Prime Minister has convened a meeting of different stakeholders recently and assessed the possibility of direct subsidy transfer to farmers instead of producers and de-canalization of import to decontrol prices of urea in the country; and
- (e) if so, the details thereof and steps taken/being taken by the Government in this regard?

Answer

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

- (a) : No, Madam.
(b) : In view of (a) above, question does not arise.
(c) : The details of unpaid bills in respect of indigenous urea are as under:
SI No Type of claim Status

1 Regular Subsidy Bills upto May, 2015 have been paid. Bills for the month of June, 2015 will be payable in August, 2015. As on date funds are available under the budget head: Nitrogenous Fertilizer (NF).

2 Freight Bills upto January, 2015 have been paid. Bills from February, 2015 to June, 2015 worth of Rs 748.71 crores are pending due to non availability of sufficient funds under budget head: Freight Subsidy (FS).

3 IPP Payment for 2012-13 and 2013-14 Bills worth of Rs 720 crores are under process for payment.

4. 5 % balance claims Bills worth of Rs 2175.61 crores are yet to be paid because manufacturers have not submitted quality certificates.

The details of unpaid bills in respect of imported urea are as under:
SI No Type of claim Status

1. Inland freight Bills worth Rs 473.79 crores are pending due to incomplete bills submitted by companies.

2. Others Bills worth Rs 6.63 crores are under the process for payment.

(d) & (e): No meeting has been called with the stakeholders on the subject mentioned.
