

MINISTRY OF CHEMICALS AND FERTILISERS

DEMAND NO. 6

Department of Fertilisers*(In ₹ crores)*

	Actual 2023-2024			Budget 2024-2025			Revised 2024-2025			Budget 2025-2026		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	195465.10	1.62	195466.72	168127.20	3.61	168130.81	189320.93	15.36	189336.29	184067.26	15.18	184082.44
Recoveries	-7137.78	...	-7137.78	-3980.00	...	-3980.00	-6333.00	...	-6333.00	-27580.00	...	-27580.00
Receipts	...	...	...	...	...	...	...	...	...	...	...	...
Net	188327.32	1.62	188328.94	164147.20	3.61	164150.81	182987.93	15.36	183003.29	156487.26	15.18	156502.44
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	39.70	1.62	41.32	44.88	3.36	48.24	43.92	3.36	47.28	48.56	2.88	51.44
Central Sector Schemes/Projects												
2. Urea Subsidy												
2.01 Payment for Indigenous Urea	100831.18	...	100831.18	100340.00	...	100340.00	101307.50	...	101307.50	100839.50	...	100839.50
2.02 Amount transfer to Oil Industry Development Fund (OIDF)	...	...	...	...	...	...	2000.00	...	2000.00	10000.00	...	10000.00
2.03 Amount met from Oil Industry Development Fund (OIDF)	...	...	...	...	...	...	-2000.00	...	-2000.00	-10000.00	...	-10000.00
2.04 Payment for Import of Urea	28193.94	...	28193.94	22634.00	...	22634.00	21000.00	...	21000.00	21000.00	...	21000.00
2.05 Direct Benefit Transfer(DBT) in Fertiliser Subsidy	4.63	...	4.63	5.80	0.20	6.00	14.00	12.00	26.00	27.70	12.30	40.00
2.06 Recovery	-5937.71	...	-5937.71	-3980.00	...	-3980.00	-3333.00	...	-3333.00	-2980.00	...	-2980.00
<i>Net</i>	<i>123092.04</i>	<i>...</i>	<i>123092.04</i>	<i>118999.80</i>	<i>0.20</i>	<i>119000.00</i>	<i>118988.50</i>	<i>12.00</i>	<i>119000.50</i>	<i>118887.20</i>	<i>12.30</i>	<i>118899.50</i>
3. Nutrient Based Subsidy												
3.01 Payment for Indigenous P and K Fertilizers	36270.00	...	36270.00	26500.00	...	26500.00	33810.00	...	33810.00	30000.00	...	30000.00
3.02 Amount transfer to Oil Industry Development Fund (OIDF)	...	...	...	...	...	...	1000.00	...	1000.00	3000.00	...	3000.00
3.03 Amount met from Oil Industry Development Fund (OIDF)	...	...	...	...	...	...	-1000.00	...	-1000.00	-3000.00	...	-3000.00
3.04 Payment for Imported P and K Fertilizers	28929.58	...	28929.58	18500.00	...	18500.00	18500.00	...	18500.00	19000.00	...	19000.00
<i>Total- Nutrient Based Subsidy</i>	<i>65199.58</i>	<i>...</i>	<i>65199.58</i>	<i>45000.00</i>	<i>...</i>	<i>45000.00</i>	<i>52310.00</i>	<i>...</i>	<i>52310.00</i>	<i>49000.00</i>	<i>...</i>	<i>49000.00</i>
4. Scheme for promotion of flagging of merchant ships in India	...	...	...	2.50	...	2.50	0.50	...	0.50	1.50	...	1.50
5. Policy on Promotion of Organic Fertilizers	0.25	...	0.25	100.00	...	100.00	45.00	...	45.00	150.00	...	150.00
6. Additional Transfer to Reserve fund												

(In ₹ crores)

	Actual 2023-2024			Budget 2024-2025			Revised 2024-2025			Budget 2025-2026		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
6.01 Transfer to Oil Industry Development Fund under Urea Subsidy	...	...	...	...	...	...	10000.00	...	10000.00	...	...	...
6.02 Transfer to Oil Industry Development Fund under Nutrient Based Subsidy	...	...	...	...	...	...	1600.00	...	1600.00	...	...	...
<i>Total- Additional Transfer to Reserve fund</i>	...	...	...	...	...	...	<i>11600.00</i>	...	<i>11600.00</i>	...	...	...
7. Additional amount met from Reserve Fund												
7.01 Amount met from Oil Industry Development Fund under Urea Subsidy	...	...	...	...	...	...	...	...	...	-10000.00	...	-10000.00
7.02 Amount met from Oil Industry Development Fund under Nutrient Based Subsidy	...	...	...	...	...	...	...	...	...	-1600.00	...	-1600.00
<i>Total</i>	...	...	...	...	...	...	...	...	...	<i>-11600.00</i>	...	<i>-11600.00</i>
Total-Central Sector Schemes/Projects	188291.87	...	188291.87	164102.30	0.20	164102.50	182944.00	12.00	182956.00	156438.70	12.30	156451.00
Other Central Sector Expenditure												
Public Sector Undertakings												
8. Assistance to Public Sector Undertakings (PSUs)	...	...	...	0.01	0.05	0.06	...	...	...	...	...	...
Others												
9. Research and Development	...	...	...	0.01	...	0.01	0.01	...	0.01	...	...	...
10. Recovery	-4.25	...	-4.25	...	...	...	...	...	...	...	...	...
Total-Others	-4.25	...	-4.25	0.01	...	0.01	0.01	...	0.01	...	...	...
Total-Other Central Sector Expenditure	-4.25	...	-4.25	0.02	0.05	0.07	0.01	...	0.01	...	...	...
Grand Total	188327.32	1.62	188328.94	164147.20	3.61	164150.81	182987.93	15.36	183003.29	156487.26	15.18	156502.44
B. Developmental Heads												
Economic Services												
1. Crop Husbandry	65195.36	...	65195.36	45000.00	...	45000.00	53910.00	...	53910.00	47400.00	...	47400.00
2. Industries	123092.29	...	123092.29	119102.31	...	119102.31	129034.01	...	129034.01	109038.70	...	109038.70
3. Secretariat-Economic Services	39.67	...	39.67	44.88	...	44.88	43.92	...	43.92	48.56	...	48.56
4. Other General Economic Services	...	...	...	0.01	...	0.01	...	...	...	...	...	...
5. Capital Outlay on Other General Economic Services	...	1.62	1.62	...	3.56	3.56	...	15.36	15.36	...	15.18	15.18
6. Loans for Fertilizer Industries	...	...	...	...	0.05	0.05	...	...	...	...	...	...
Total-Economic Services	188327.32	1.62	188328.94	164147.20	3.61	164150.81	182987.93	15.36	183003.29	156487.26	15.18	156502.44
Grand Total	188327.32	1.62	188328.94	164147.20	3.61	164150.81	182987.93	15.36	183003.29	156487.26	15.18	156502.44

	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
C. Investment in Public Enterprises												
1. FCI Aravali Gypsum and Minerals India Limited	...	4.14	4.14	...	...	...	...	15.00	15.00	...	35.00	35.00
2. Rashtriya Chemicals and Fertilisers Limited	...	501.71	501.71	...	480.97	480.97	...	946.07	946.07	...	1576.97	1576.97
3. Brahmaputra Valley Fertiliser Cooperation Limited	...	23.85	23.85	...	26.07	26.07	...	-83.02	-83.02	...	-66.23	-66.23
4. National Fertilizer Limited	...	292.13	292.13	...	672.17	672.17	...	596.50	596.50	...	1266.13	1266.13
5. FACT	...	173.76	173.76	...	303.25	303.25	...	300.25	300.25	...	102.75	102.75
6. FAGMIL	...	0.99	0.99	...	112.00	112.00	...	5.25	5.25	...	25.67	25.67
7. MFL	...	48.53	48.53	...	133.10	133.10	...	54.51	54.51	...	45.94	45.94
8. Projects and Development India Limited	...	1.57	1.57	...	...	...	...	6.19	6.19	...	7.79	7.79
Total	...	1046.68	1046.68	...	1727.56	1727.56	...	1840.75	1840.75	...	2994.02	2994.02

The net allocation for D/o Fertilizers under BE 2025-26 is ₹156502.44 crore i.e. net of additional met from ODF to the tune of ₹11600.00 crore. It means total fund available for incurring expenditure at the disposal of the department would be ₹168102.44 crore.

1. **Secretariat:** Provision is for expenditure on Secretariat of the Department.

2.01. **Payment for Indigenous Urea:** The provision is for subsidy under Fertilizer New Pricing Scheme (NPS) including Freight Subsidy for production of urea. The subsidy scheme is intended to make fertilizers available to the farmers at reasonable prices and to give producers of fertilizers a reasonable return on their investment. The difference between the concession price so fixed less distribution margin and the statutorily controlled consumers' price is allowed as subsidy. The quantum of subsidy depends on the concession price, the consumer's price and the level of production.

2.02. **Amount transfer to Oil Industry Development Fund (OIDF):** The provision is for transfer to ODF under Payment for Indigenous Urea component of Urea Subsidy Scheme.

2.03. **Amount met from Oil Industry Development Fund (OIDF):** Amount met from ODF for the purpose of Payment for Indigenous Urea.

2.04. **Payment for Import of Urea:** As indigenous production is not adequate to meet the demand for fertilizers, imports are arranged to make up for the shortfall. The cost involved is broadly the price of imported fertilizers plus the cost of handling and distribution of the fertilizers. The selling price of imported fertilizers to farmers is controlled under the Fertilizer Control Order and the consumer prices are thus statutorily regulated. This selling price is the same as the selling price for indigenous production. The difference between the amount realised by way of sale of fertilizers to farmers and the import costs to Government represents the subsidy on fertilizer imports.

2.05. **Direct Benefit Transfer(DBT) in Fertiliser Subsidy:** Provision for Direct Benefit Transfer(DBT)of subsidy on online bills.

3.01. **Payment for Indigenous P and K Fertilizers:** Provision is for payment to the manufacturers of fertilizers/agencies under the Nutrient Based Subsidy (NBS) scheme on the sale of decontrolled Phosphatic and Potassic fertilizers at concessional rate to the farmers. The concession would lead to balanced use of fertilizer NPK nutrients for better soil health and productivity.

3.02. **Amount transfer to Oil Industry Development Fund (OIDF):** The provision is for transfer to ODF under Payment for Indigenous P&K Fertilizers.

3.03. **Amount met from Oil Industry Development Fund (OIDF):** Amount met from ODF for the purpose of payment for Indigenous P&K Fertilizers.

3.04. **Payment for Imported P and K Fertilizers:** Provision is for payment to the importers of fertilizers/agencies under the Nutrient Based Subsidy (NBS) scheme on the sale of decontrolled Phosphatic and Potassic fertilizers at concessional rate to the farmers. The concession would lead to balanced use of fertilizer NPK nutrients for better soil health and productivity.

4. **Scheme for promotion of flagging of merchant ships in India:** In order to achieve the objective of Atmanirbhar Bharat, the Union Cabinet, in its meeting held on 14 th July, 2021 approved a scheme in the Ministry of Port Shipping and Waterways to provide ₹1624 crore over a period of five years as subsidy to Indian Shipping companies in global tenders floated by Ministries and CPSEs for import of government cargo.

5. **Policy on Promotion of Organic Fertilizers:** In compliance of the budget announcement 2023-24, a new scheme for promotion of organic fertilizers providing Market Development Assistance (MDA) and grant for promotion of Research and Development as GOBARdhan initiatives, has been introduced.

6. **Additional Transfer to Reserve fund:** The provision is for additional fund transfer to ODF.

7. **Additional amount met from Reserve Fund:** Additional fund would be met from the balances available in Public Account/ ODF.