

MINISTRY OF CHEMICALS AND FERTILISERS**DEMAND NO. 6****Department of Fertilisers***(In ₹ crores)*

	Actual 2024-2025			Budget 2025-2026			Revised 2025-2026			Budget 2026-2027		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	191816.12	8.06	191824.18	184067.26	15.18	184082.44	215130.35	18.28	215148.63	187153.64	8.89	187162.53
Recoveries	-10030.80	...	-10030.80	-27580.00	...	-27580.00	-28518.00	...	-28518.00	-16218.00	...	-16218.00
Receipts	...	...	...	...	...	...	...	...	...	...	...	...
Net	181785.32	8.06	181793.38	156487.26	15.18	156502.44	186612.35	18.28	186630.63	170935.64	8.89	170944.53
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	40.90	2.07	42.97	48.56	2.88	51.44	43.65	2.88	46.53	45.64	2.89	48.53
	-0.02	...	-0.02	...	...	...	...	...	...	...	...	...
Net	40.88	2.07	42.95	48.56	2.88	51.44	43.65	2.88	46.53	45.64	2.89	48.53
Central Sector Schemes/Projects												
2. Urea Subsidy												
2.01 Payment for Indigenous Urea	103319.51	...	103319.51	100839.50	...	100839.50	89989.50	...	89989.50	91000.00	...	91000.00
2.02 Amount transfer to Oil Industry Development Fund (OIDF)	2000.00	...	2000.00	10000.00	...	10000.00	10000.00	...	10000.00	7000.00	...	7000.00
2.03 Amount met from Oil Industry Development Fund (OIDF)	-2000.00	...	-2000.00	-10000.00	...	-10000.00	-10000.00	...	-10000.00	-7000.00	...	-7000.00
2.04 Payment for Import of Urea	21000.00	...	21000.00	21000.00	...	21000.00	51972.00	...	51972.00	31999.00	...	31999.00
2.05 Direct Benefit Transfer(DBT) in Fertiliser Subsidy	13.15	5.99	19.14	27.70	12.30	40.00	16.50	15.40	31.90	...	...	...
2.06 Fertilizer Subsidy Management System	...	...	...	...	...	...	...	...	...	18.00	6.00	24.00
2.07 Recovery	-6459.70	...	-6459.70	-2980.00	...	-2980.00	-15518.00	...	-15518.00	-6218.00	...	-6218.00
Net	117872.96	5.99	117878.95	118887.20	12.30	118899.50	126460.00	15.40	126475.40	116799.00	6.00	116805.00
3. Nutrient Based Subsidy												
3.01 Payment for Indigenous P and K Fertilizers	34010.00	...	34010.00	30000.00	...	30000.00	35000.00	...	35000.00	34000.00	...	34000.00
3.02 Amount transfer to Oil Industry Development Fund (OIDF)	1000.00	...	1000.00	3000.00	...	3000.00	3000.00	...	3000.00	3000.00	...	3000.00
3.03 Amount met from Oil Industry Development Fund (OIDF)	-1000.00	...	-1000.00	-3000.00	...	-3000.00	-3000.00	...	-3000.00	-3000.00	...	-3000.00
3.04 Payment for Imported P and K Fertilizers	18800.00	...	18800.00	19000.00	...	19000.00	25000.00	...	25000.00	20000.00	...	20000.00
3.05 Recovery	-571.08	...	-571.08	...	...	...	...	...	...	...	...	...

(In ₹ crores)

	Actual 2024-2025			Budget 2025-2026			Revised 2025-2026			Budget 2026-2027		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
<i>Net</i>	52238.92	...	52238.92	49000.00	...	49000.00	60000.00	...	60000.00	54000.00	...	54000.00
4. Scheme for promotion of flagging of merchant ships in India	...	...	...	1.50	...	1.50	0.70	...	0.70	1.00	...	1.00
5. Policy on Promotion of Organic Fertilizers	32.56	...	32.56	150.00	...	150.00	108.00	...	108.00	90.00	...	90.00
6. Additional Transfer to Reserve fund												
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	...	...	...	...	...	...	...	...	...
Total- Additional Transfer to Reserve fund	11600.00	...	11600.00	...	...	...	...	...	...	...	...	...
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>	...	...	...	-11600.00	...	-11600.00	...	...	...	...	...	...
Total-Central Sector Schemes/Projects	181744.44	5.99	181750.43	156438.70	12.30	156451.00	186568.70	15.40	186584.10	170890.00	6.00	170896.00
Grand Total	181785.32	8.06	181793.38	156487.26	15.18	156502.44	186612.35	18.28	186630.63	170935.64	8.89	170944.53
B. Developmental Heads												
Economic Services												
1. Crop Husbandry	53838.92	...	53838.92	47400.00	...	47400.00	60000.00	...	60000.00	54000.00	...	54000.00
2. Industries	127905.52	...	127905.52	109038.70	...	109038.70	126568.70	...	126568.70	116890.00	...	116890.00
3. Secretariat-Economic Services	40.88	...	40.88	48.56	...	48.56	43.65	...	43.65	45.64	...	45.64
4. Capital Outlay on Other General Economic Services	...	8.06	8.06	...	15.18	15.18	...	18.28	18.28	...	8.89	8.89
Total-Economic Services	181785.32	8.06	181793.38	156487.26	15.18	156502.44	186612.35	18.28	186630.63	170935.64	8.89	170944.53
Grand Total	181785.32	8.06	181793.38	156487.26	15.18	156502.44	186612.35	18.28	186630.63	170935.64	8.89	170944.53
	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
C. Investment in Public Enterprises												
1. Fertiliser Corporation of India Limited	...	16.15	16.15	...	35.00	35.00	...	35.00	35.00	...	...	...
2. Rashtriya Chemicals and Fertilisers Limited	...	857.67	857.67	...	1576.97	1576.97	...	1412.22	1412.22	...	1492.23	1492.23

		Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total	Budget Support	IEBR	Total
3.	Brahmaputra Valley Fertiliser Cooperation Limited	...	-164.81	-164.81	...	-66.23	-66.23	...	...	...	...	...	...
4.	National Fertilizer Limited	...	161.89	161.89	...	1266.13	1266.13	...	350.00	350.00	...	400.00	400.00
5.	Fertilisers and Chemicals Travancore Limited	...	147.19	147.19	...	102.75	102.75	...	103.00	103.00	...	100.00	100.00
6.	FCI Aravali Gypsum and Minerals India Limited	...	1.41	1.41	...	25.67	25.67	...	11.90	11.90	...	30.67	30.67
7.	Madras Fertilisers Limited	...	14.99	14.99	...	45.94	45.94	...	72.35	72.35	...	72.35	72.35
8.	Projects and Development India Limited	...	0.10	0.10	...	7.79	7.79	...	...	...	...	...	...
Total		...	1034.59	1034.59	...	2994.02	2994.02	...	1984.47	1984.47	...	2095.25	2095.25

1. **Secretariat:** The provision is for the Salary and Establishment Expenditure of Department of Fertilizers.

2.01. **Payment for Indigenous Urea:** The provision is for subsidy under Fertilizer New Pricing Scheme (NPS) including Freight Subsidy for production of urea (i.e. Indigenous 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.

2.04. **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.

2.06. **Fertilizer Subsidy Management System:** The provision is for Establishment related Expenditure (viz. Office Expenses, Professional Services, ICT, and etc.) under Fertilizer Subsidy Management System (erstwhile, DBT in Fertilizer Subsidy).

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.

3.04. **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:** The provision is for promotion of organic fertilizers by providing Market Development Assistance (MDA) and grant for promotion of Research and Development.