

MINISTRY OF CHEMICALS AND FERTILISERS

DEMAND NO. 6

Department of Fertilisers*(In ₹ crores)*

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	89788.56	...	89788.56	73485.35	0.04	73485.39	73482.74	0.04	73482.78	83514.95	0.05	83515.00
Recoveries	-2962.36	...	-2962.36	-3360.00	...	-3360.00	-3360.00	...	-3360.00	-3480.00	...	-3480.00
Receipts	-20532.50	...	-20532.50	...	...	...	...	...	...	...	...	...
Net	66293.70	...	66293.70	70125.35	0.04	70125.39	70122.74	0.04	70122.78	80034.95	0.05	80035.00
A. The Budget allocations, net of recoveries and receipts, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	31.80	...	31.80	34.99	...	34.99	37.03	...	37.03	38.94	...	38.94
Central Sector Schemes/Projects												
2. Urea Subsidy												
2.01 Payment for Indigenous Urea	31973.70	...	31973.70	34989.50	...	34989.50	34989.50	...	34989.50	43050.00	...	43050.00
2.02 Payment for Urea Freight Subsidy	5000.00	...	5000.00	...	...	...	...	...	...	...	...	...
2.03 Payment for Import of Urea	9980.00	...	9980.00	13360.00	...	13360.00	13355.35	...	13355.35	14049.00	...	14049.00
2.04 Direct Benefit Transfer(DBT) in Fertiliser Subsidy	26.30	...	26.30	10.50	...	10.50	10.50	...	10.50	10.00	...	10.00
2.05 Recovery	-2756.69	...	-2756.69	-3360.00	...	-3360.00	-3360.00	...	-3360.00	-3480.00	...	-3480.00
<i>Net</i>	<i>44223.31</i>	<i>...</i>	<i>44223.31</i>	<i>45000.00</i>	<i>...</i>	<i>45000.00</i>	<i>44995.35</i>	<i>...</i>	<i>44995.35</i>	<i>53629.00</i>	<i>...</i>	<i>53629.00</i>
3. Nutrient Based Subsidy												
3.01 Payment for Indigenous P and K Fertilizers	14337.00	...	14337.00	15820.35	...	15820.35	15820.35	...	15820.35	15906.00	...	15906.00
3.02 Payment for Imported P and K Fertilizers	7900.00	...	7900.00	9260.00	...	9260.00	9260.00	...	9260.00	10429.00	...	10429.00
3.03 Payment for City Compost	7.26	...	7.26	10.00	...	10.00	10.00	...	10.00	32.00	...	32.00
<i>Total- Nutrient Based Subsidy</i>	<i>22244.26</i>	<i>...</i>	<i>22244.26</i>	<i>25090.35</i>	<i>...</i>	<i>25090.35</i>	<i>25090.35</i>	<i>...</i>	<i>25090.35</i>	<i>26367.00</i>	<i>...</i>	<i>26367.00</i>
Total-Central Sector Schemes/Projects	66467.57	...	66467.57	70090.35	...	70090.35	70085.70	...	70085.70	79996.00	...	79996.00
Other Central Sector Expenditure												
Public Sector Undertakings												
4. Assistance to PSUs	20532.50	...	20532.50	0.01	0.04	0.05	0.01	0.04	0.05	0.01	0.05	0.06
	-20532.50	...	-20532.50	...	...	...	...	...	...	...	...	...

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
<i>Net</i>	...	...	...	0.01	0.04	0.05	0.01	0.04	0.05	0.01	0.05	0.06
Others												
5. Recovery	-205.67	...	-205.67	...	...	...	...	...	...	...	...	...
Total-Other Central Sector Expenditure	-205.67	...	-205.67	0.01	0.04	0.05	0.01	0.04	0.05	0.01	0.05	0.06
Grand Total	66293.70	...	66293.70	70125.35	0.04	70125.39	70122.74	0.04	70122.78	80034.95	0.05	80035.00
B. Developmental Heads												
Economic Services												
1. Crop Husbandry	22079.63	...	22079.63	25090.35	...	25090.35	25090.35	...	25090.35	26367.00	...	26367.00
2. Industries	44182.27	...	44182.27	45000.00	...	45000.00	44995.35	...	44995.35	53629.00	...	53629.00
3. Secretariat-Economic Services	31.80	...	31.80	34.99	...	34.99	37.03	...	37.03	38.94	...	38.94
4. Other General Economic Services	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
5. Loans for Fertilizer Industries	...	...	...	...	0.04	0.04	...	0.04	0.04	...	0.05	0.05
Total-Economic Services	66293.70	...	66293.70	70125.35	0.04	70125.39	70122.74	0.04	70122.78	80034.95	0.05	80035.00
Grand Total	66293.70	...	66293.70	70125.35	0.04	70125.39	70122.74	0.04	70122.78	80034.95	0.05	80035.00
	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	...	0.49	0.49	...	56.18	56.18	...	8.35	8.35	...	10.00	10.00
2. Projects and Development India Limited	...	1.61	1.61	...	5.48	5.48	...	9.16	9.16	...	6.00	6.00
3. National Fertilisers Limited	...	226.35	226.35	...	650.92	650.92	...	447.98	447.98	...	759.10	759.10
4. Rashtriya Chemicals and Fertilisers Limited	...	533.70	533.70	...	1880.11	1880.11	...	623.77	623.77	...	709.34	709.34
5. Brahmaputra Valley Fertiliser Cooperation Limited	...	13.83	13.83	...	38.60	38.60	...	...	...	...	54.76	54.76
Total	...	775.98	775.98	...	2631.29	2631.29	...	1089.26	1089.26	...	1539.20	1539.20

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

2.01 & 2.02 These provisions relate to 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.

2.03. **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.

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. **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.

3.03. **Payment for City Compost:** Provision is for Market-Development-Assistance to manufacturers of City Compost.

4. **Assistance to PSUs:** For write-off of Govt. of India's loans, interest and penal interest due from Hindustan Fertilizer Corporation Ltd., Fertilizer Corporation of India Ltd., Projects and Development (India) Ltd., Madras Fertilizers Ltd. and Fertilizers and Chemicals of Travancore Ltd.,