MINISTRY OF CHEMICALS AND FERTILISERS

DEMAND NO. 7

Department of Fertilisers

(In ₹ crores)

	Actual 2015-2016			Budget 2016-2017			Revised 2016-2017			Budget 2017-2018		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	76564.41	1000.00	77564.41	74138.33	1.04	74139.37	74130.85	...	74130.85	74264.67	0.04	74264.71
Recoveries	*-4537.92*	*...*	*-4537.92*	*-4100.00*	*...*	*-4100.00*	*-4100.00*	*...*	*-4100.00*	*-4232.00*	*...*	*-4232.00*
Receipts	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*
Net	**72026.49**	**1000.00**	**73026.49**	**70038.33**	**1.04**	**70039.37**	**70030.85**	**...**	**70030.85**	**70032.67**	**0.04**	**70032.71**
A. The Budget allocations, net of recoveries, are given below:												
CENTRE'S EXPENDITURE												
Establishment Expenditure of the Centre												
1. Secretariat	26.85	...	26.85	29.31	...	29.31	30.84	...	30.84	32.66	...	32.66
Central Sector Schemes/Projects												
2. Urea Subsidy												
2.01 Payment for Indigenous Urea	36000.00	...	36000.00	38000.00	...	38000.00	38000.00	...	38000.00	37000.00	...	37000.00
2.02 Payment for Urea Freight Subsidy	2200.00	...	2200.00	2000.00	...	2000.00	2000.00	...	2000.00	3000.00	...	3000.00
2.03 Payment for Import of Urea	16400.00	...	16400.00	15100.00	...	15100.00	15100.00	...	15100.00	14000.00	...	14000.00
2.04 Recovery	-4122.39	...	-4122.39	-4100.00	...	-4100.00	-4100.00	...	-4100.00	-4232.00	...	-4232.00
Net	*50477.61*	*...*	*50477.61*	*51000.00*	*...*	*51000.00*	*51000.00*	*...*	*51000.00*	*49768.00*	*...*	*49768.00*
3. Nutrient Based Subsidy												
3.01 Payment for Indigenous P and K Fertilizers	11969.00	...	11969.00	12000.00	...	12000.00	11985.02	...	11985.02	12317.00	...	12317.00
3.02 Payment for Imported P and K Fertilizers	9968.56	...	9968.56	6999.99	...	6999.99	6999.99	...	6999.99	7900.00	...	7900.00
3.03 Payment for City Compost	...	...	...	0.01	...	0.01	15.00	...	15.00	15.00	...	15.00
Total- Nutrient Based Subsidy	*21937.56*	*...*	*21937.56*	*19000.00*	*...*	*19000.00*	*19000.01*	*...*	*19000.01*	*20232.00*	*...*	*20232.00*
Total-Central Sector Schemes/Projects	**72415.17**	**...**	**72415.17**	**70000.00**	**...**	**70000.00**	**70000.01**	**...**	**70000.01**	**70000.00**	**...**	**70000.00**
Other Central Sector Expenditure												
Public Sector Undertakings												
4. Assistance to PSUs	...	1000.00	1000.00	9.02	1.04	10.06	...	...	...	0.01	0.04	0.05
Others												
5. Recovery	-415.53	...	-415.53	...	...	...	...	...	...	...	...	...
Total-Other Central Sector Expenditure	**-415.53**	**1000.00**	**584.47**	**9.02**	**1.04**	**10.06**	**...**	**...**	**...**	**0.01**	**0.04**	**0.05**

(In ₹ crores)

	Actual 2015-2016			Budget 2016-2017			Revised 2016-2017			Budget 2017-2018		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Grand Total	***72026.49***	***1000.00***	***73026.49***	***70038.33***	***1.04***	***70039.37***	***70030.85***	***...***	***70030.85***	***70032.67***	***0.04***	***70032.71***
B. Developmental Heads												
Economic Services												
1. Crop Husbandry	34199.93	...	34199.93	19000.00	...	19000.00	19000.01	...	19000.01	20232.00	...	20232.00
2. Industries	37804.61	...	37804.61	51000.00	...	51000.00	51000.00	...	51000.00	49768.00	...	49768.00
3. Secretariat-Economic Services	21.95	...	21.95	29.31	...	29.31	30.84	...	30.84	32.66	...	32.66
4. Other General Economic Services	...	...	...	9.02	...	9.02	...	...	...	0.01	...	0.01
5. Loans for Fertilizer Industries	...	1000.00	1000.00	...	0.04	0.04	...	...	...	...	0.04	0.04
Total-Economic Services	**72026.49**	**1000.00**	**73026.49**	**70038.33**	**0.04**	**70038.37**	**70030.85**	**...**	**70030.85**	**70032.67**	**0.04**	**70032.71**
Others												
6. Loans for North Eastern Areas	...	...	...	...	1.00	1.00	...	...	...	...	...	...
Total-Others	**...**	**...**	**...**	**...**	**1.00**	**1.00**	**...**	**...**	**...**	**...**	**...**	**...**
Grand Total	**72026.49**	**1000.00**	**73026.49**	**70038.33**	**1.04**	**70039.37**	**70030.85**	**...**	**70030.85**	**70032.67**	**0.04**	**70032.71**

	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	...	0.62	0.62	...	111.40	111.40	...	215.68	215.68	...	25.80	25.80
2. Projects and Development India Limited	...	1.64	1.64	...	...	...	...	66.20	66.20	...	7.50	7.50
3. National Fertilisers Limited	...	122.59	122.59	...	435.44	435.44	...	306.03	306.03	...	871.85	871.85
4. Rashtriya Chemicals and Fertilisers Limited	...	1740.98	1740.98	...	3404.87	3404.87	...	1765.05	1765.05	...	2041.77	2041.77
5. Brahmaputra Valley Fertiliser Cooperation Limited	...	64.62	64.62	1.00	50.93	51.93	17.63	13.11	30.74	...	56.99	56.99
6. Fertilisers and Chemicals Travancore Ltd	1000.00	...	1000.00	6.00	...	6.00	...	...	...	...	...	...
7. Madras Fertilizers Ltd	...	...	...	3.00	...	3.00	...	...	...	...	...	...
Total	**1000.00**	**1930.45**	**2930.45**	**10.00**	**4002.64**	**4012.64**	**17.63**	**2366.07**	**2383.70**	**...**	**3003.91**	**3003.91**

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 has been made for the proposed Market-Development-Assistance to manufacturers of City Compost at the rate of ₹ 1500/- per MT.

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., for post closure adjustment liabilities of Pyrites, Phosphates & Chemicals Ltd.(PPL), for loans to Hindustan Fertilisers Coorporation Ltd., Fertilisers Coorporation of India, Pyrites, Phosphates & Chemicals Ltd.(PPL) and Brahmputra Valley Fertilizer Corporation Ltd.