

Urea subsidy spend makes up 75% of Budget allocation in April-August

Stateline News

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The subsidy for urea has consumed three-fourths of the Budget allocation in the first five months (April-August) of the current fiscal. This is 83 per cent higher than the same period a year ago.

The overall expenditure is a little lower in the first five months compared with the corresponding period last fiscal. This has helped to limit the fiscal deficit to

around 33 per cent of the Budget Estimate, data released by the Controller General of Accounts (CGA) showed. However, experts say there is upward risk to the Budget target of a fiscal deficit.

In this fiscal's Budget, the government allocated over ₹63,000 crore as urea subsidy and ₹42,000 crore for nutrient-based fertilisers. CGA data show the government spent around ₹47,510 crore on urea subsidy during the first five months of the



current fiscal, 44 per cent of the Budget allocation.

Over ₹13,600 crore was spent on nutrient-based fertilisers, 33 per cent of Budget

allocation and almost the same during the corresponding period last fiscal. Taking both into consideration, the overall fertiliser subsidy is now 57 per cent of the Budget Estimate.

OVERALL EXPENDITURE

Despite higher fertiliser subsidy, the overall expenditure during the April-August period was 85.2 per cent of the budget estimate, against 36.7 per cent during the corresponding period of last fiscal.