



Supporting Balanced Fertilization: Nutrient-Based Subsidy Rates for Rabi 2025-26

“Ensuring affordability and productivity in Indian agriculture”

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Key Takeaways

- The government approved the Nutrient-Based Subsidy (NBS) rates for Rabi 2025–26, effective from October 1, 2025, **to March 31, 2026**, covering Phosphatic and Potassic (P&K) fertilizers, including DAP and NPKS grades.
- **Tentative budgetary requirement for Rabi 2025–26** is approximately ₹37,952 crore, about ₹736 crore higher than the budgetary requirement for the **Kharif 2025 season**
- Over ₹2.04 lakh crore allocated between 2022–23 and 2024-25 towards **NBS subsidies**, ensuring affordable access to fertilizers.
- NBS has driven significant growth in domestic fertilizer output, with **P&K (DAP & NPKS) fertilizers production increasing from 112.19 LMT in 2014 to 168.55 LMT in 2025 (till 30.12.25)**, reflecting a growth of over **50%** during the period.

Introduction

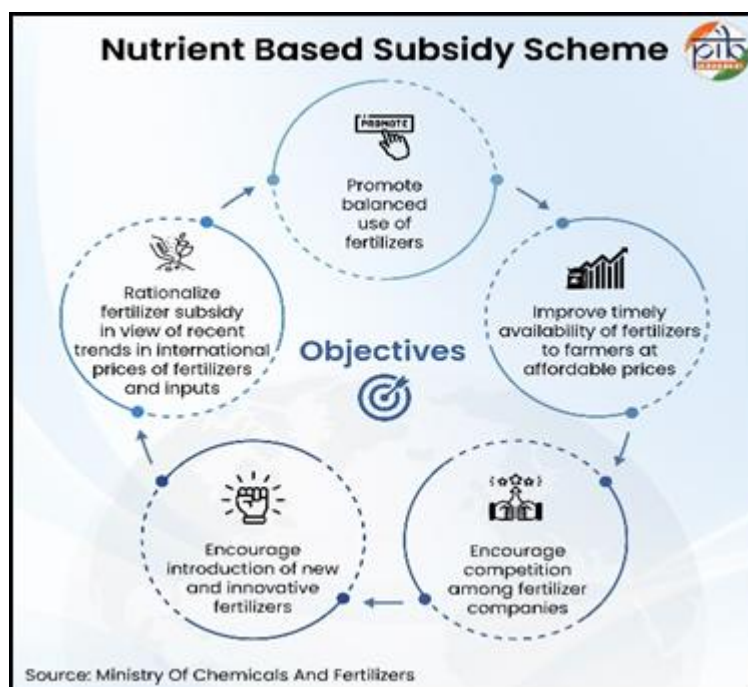
Balanced fertilization is crucial for maintaining soil health, enhancing crop productivity and ensuring long-term agricultural sustainability. In recognition of this, the Government of India continues to prioritize the Nutrient-Based Subsidy (NBS) Scheme, a critical policy intervention that promotes the judicious use of fertilizers by supporting farmers in accessing key nutrients at affordable prices. For the Rabi season 2025–26, the announcement of updated NBS rates reflects the government’s commitment to enhancing nutrient management while keeping farmers’ input costs in check.

The Government of India introduced the **Nutrient-Based Subsidy (NBS) scheme, effective from April 1, 2010**. The scheme represented a significant policy shift in the fertilizer sector, designed to make fertilizers available to farmers at subsidized, affordable, and fair **prices**, while simultaneously encouraging their balanced and efficient **use**.

Under the NBS framework, subsidies are determined based on the nutrient content of fertilizers, primarily **NPKS: Nitrogen (N), Phosphorus (P), Potassium (K), and Sulphur (S)**. This approach not only encourages balanced nutrient application but also empowers farmers to make informed choices that align with the specific needs of their soil and crops. By promoting the use of secondary and micronutrients, the scheme also addresses issues of soil degradation and nutrient imbalance that have emerged from years of skewed fertilizer usage.

Outcomes and Policy Priorities of Nutrient-Based Subsidy Scheme

The Nutrient-Based Subsidy (NBS) Scheme of the Ministry of Chemicals and Fertilizers aims to promote the **balanced use of essential nutrients**, such as nitrogen, phosphorus, potassium, and sulphur, thereby helping farmers avoid over-dependence on any single fertilizer and maintain soil health while improving productivity. It ensures that fertilizers are **available to farmers on time and at affordable, subsidized prices**, which is vital for smooth crop planning. The scheme also **fosters healthy competition among fertilizer companies**, driving improvements in quality, innovations, and efficiency in the fertilizer market. By supporting the introduction of new and innovative fertilizers, including advanced and micronutrient-enriched products, the **NBS scheme helps modernize agricultural practices**. Additionally, it focuses on **rationalizing subsidies by aligning them with global price trends** of fertilizers and raw materials, ensuring both farmer support and fiscal responsibility.



Major Provisions and Salient features of NBS Scheme

Under the Nutrient-Based Subsidy (NBS) Scheme, the government provides a fixed subsidy, revised annually or biannually, on Phosphatic and Potassic (P&K) fertilizers, including DAP. The subsidy amount is linked to the nutrient composition of each fertilizer grade.

Until Rabi 2023–24, the NBS scheme included 25 P&K fertilizer grades such as DAP, MOP, and SSP. From Kharif 2024 onward, three additional fertilizer grades have been incorporated into the scheme.

1. **NPK (11:30:14)** fortified with Magnesium, Zinc, Boron, and Sulphur
2. **Urea-SSP (5:15:0:10)**
3. **SSP (0:16:0:11)** fortified with Magnesium, Zinc, and Boron

With the addition of the new grades, the Government is now providing farmers with 28 types of P&K fertilizers at subsidized rates through authorized manufacturers and **importers**. In line with its farmer-centric approach, the Government continues to prioritize the affordable availability of these fertilizers at competitive **prices**.

Under the NBS Scheme, the P&K fertilizer sector operates under a decontrolled regime, allowing companies to set the Maximum Retail Price (MRP) at reasonable levels, subject to government oversight. As a result, farmers receive the benefit of the subsidy directly when they purchase these fertilizers.

NBS Rates for Rabi 2025-26

In view of the recent trends in international market & domestic market of fertilizers & inputs, the Government has **approved the NBS rates for Rabi 2025-26, effective from October 1, 2025, to March 31, 2026, for Phosphatic and Potassic (P&K) fertilizers, including DAP and NPKS grades**. The

subsidy would be provided to fertilizer companies at the notified rates, ensuring that fertilizers are made available to farmers at affordable prices. The **tentative budgetary requirement for the Rabi season 2025-26** is approximately **₹37,952.29 crore**, which is about **₹736 crore** higher than the requirement for the **Kharif season 2025**.

Per kg subsidy on nutrients, namely Nitrogen (N), Phosphate (P), Potash (K), and Sulphur (S) contained in P&K fertilizers for Rabi 2025-26 are as follows:

S. No.	Nutrients	NBS (₹ per Kg of Nutrient)
1	N	43.02
2	P	47.96
3	K	2.38
4	S	2.87

Product-wise subsidy on 28 grades of P&K fertilizers for Rabi 2025-26 are as follows:

S. No.	Name of Fertilizers	NBS Rate (₹/MT)
1	DAP 18-46-0-0	29,805
2	MOP 0-0-60-0	1,428
3	SSP 0-16-0-11	7,408
4	NPS 20-20-0-13	18,569
5	NPK 10-26-26-0	17,390
6	NP 20-20-0-0	18,196
7	NPK 15-15-15	14,004
8	NP 24-24-0-0	21,835
9	AS 20.5-0-0-23	9,479
10	NP 28-28-0-0	25,474
11	NPK 17-17-17	15,871
12	NPK 19-19-19	17,738

S. No.	Name of Fertilizers	NBS Rate (₹/MT)
13	NPK 16-16-16-0	14,938
14	NPS 16-20-0-13	16,848
15	NPK 14-35-14	23,142
16	MAP 11-52-0-0	29,671
17	TSP 0-46-0-0	22,062
18	NPK 12-32-16	20,890
19	NPK 14-28-14	19,785
20	NPKS 15-15-15-09	14,262
21	NP 14-28-0-0	19,452
22	PDM 0-0-14.5-0	345
23	Urea-SSP Complex (5-15-0-10)	9,088
24	NPS 24-24-0-8	21,835
25	NPK 8-21-21	14,013
26	NPK 9-24-24	15,953
27	NPK 11-30-14	19,453
28	SSP 0-16-0-11	7,408
S. No	Nutrients for Fortification	Additional Subsidy for Fortified/Coated Fertilizers over and above the rates indicated in above table (₹/MT)
1	Boron (B)	300
2	Zinc (Zn)	500

For Rabi 2025–26, the **subsidy for Di-Ammonium Phosphate (DAP)** has been significantly enhanced to **₹29,805 per metric tonne**, a substantial increase compared to **₹21,911 per metric tonne** during Rabi 2024–25. Ammonium Sulphate (both domestic and imported) has been included under NBS Scheme for

Any P&K fertilizer covered under the NBS Scheme that is **fortified or coated with Boron or Zinc** (as specified in the Fertilizer Control Order) will **continue to receive subsidy**. In addition, these fortified or coated fertilizers will receive an **extra subsidy per metric tonne (MT)** to promote their use in conjunction with the main nutrients.

Operational Management and Compliance Monitoring of NBS

To ensure transparency, accountability, and fair pricing in the implementation of the Nutrient-Based Subsidy (NBS) Scheme for Rabi 2025–26, fertilizer companies are **required to comply with the following regulatory and operational measures:**

- **Reporting, and Monitoring of Cost and Maximum Retail Price (MRP) of P&K fertilizers**

Fertilizer companies must submit **audited cost data** in accordance with existing guidelines by determining the reasonableness of the Maximum Retail Price (MRP) for P&K fertilizers. This enables the Department of Fertilizers (DoF) to assess whether the declared MRPs are justified. Companies are also required to regularly report the **MRPs of all P&K fertilizer grades** to the Department of Fertilizers, ensure these prices align with the **notified subsidy rates**, and guarantee that companies sell fertilizers at the reasonable MRPs.

- **Regulation of Profit Margins**

As per the extant guidelines, any profit earned beyond the prescribed limit will be treated as **unreasonable and recovered** from the concerned company (**profit margin of up to 8% for importers, 10 % for manufacturers and 12% for Integrated manufacturers** over the cost of production of the final P&K product is considered reasonable.)

- **Display of MRP and Subsidy Details**

Each fertilizer bag **must clearly display** 1. Maximum Retail Price (MRP) and 2. Applicable subsidy per bag and per kilogram.

Charging more than the printed MRP is an offence and is **punishable under the Essential Commodities Act, 1955**.

- **Monitoring of Production, Movement, and Imports**

The online, web-based **Integrated Fertilizer Monitoring System (iFMS)** provides continuous oversight of fertilizer distribution, movement, and imports, and the production activities of domestic manufacturing units.

- **Delivery and Transportation Responsibility**

All **manufacturers, marketers, and importers** of P&K fertilizers, including **Single Super Phosphate (SSP)** manufacturers, must ensure that fertilizers are transported **up to the retail point** on a **Freight on Road (F.O.R.) delivery basis**.

- **Digital tracking and coordination in Fertilizer Distribution**

Based on the assessed requirement, the DoF allocates adequate quantities of fertilizers through a monthly supply plan and continuously monitors their availability across regions. The movement of all major subsidized fertilizers is tracked through an online, web-based **Integrated Fertilizer Management System**

(iFMS) portal. Additionally, the DA&FW and DoF hold weekly video conferences with State Agriculture Officials to ensure effective coordination and resolve any emerging supply issues.

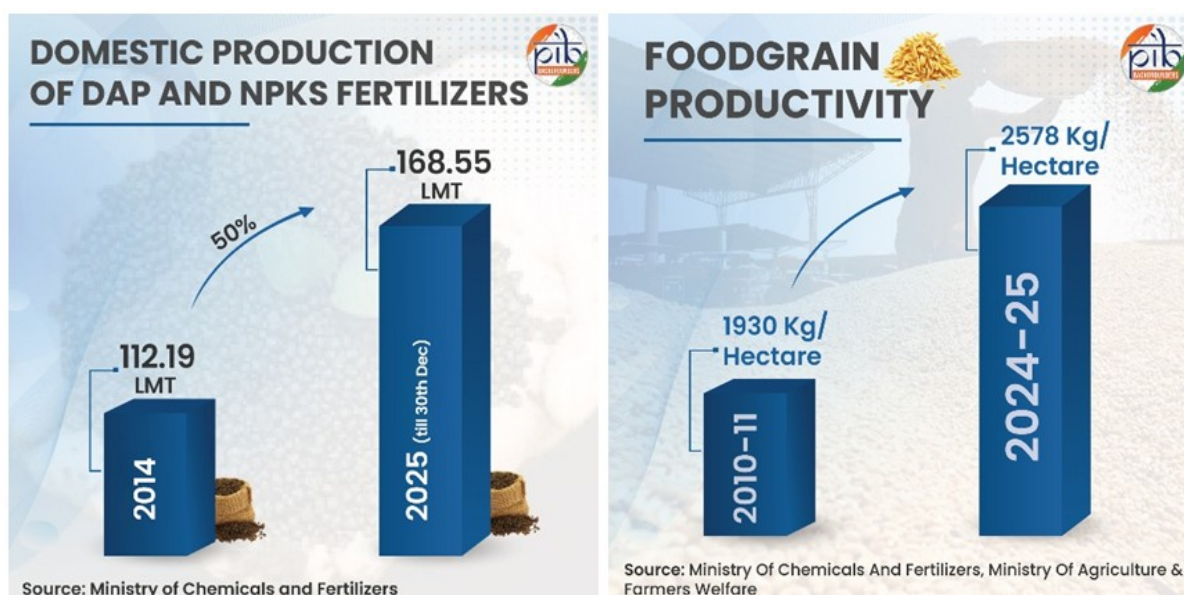
The **Integrated Fertilizer Management System** is a digital platform that provides a range of online services related to fertilizer distribution and management. It includes dealer registration, stock availability tracking, dealer search, and access to the Management Information System and Direct Benefit Transfer (DBT) reports. By enabling transparency, improving efficiency, and supporting real-time tracking throughout the fertilizer supply chain, iFMS helps ensure that farmers and stakeholders receive timely access to high-quality fertilizers.

Major Milestone and Achievement at a Glance

Production Growth of P&K Fertilizers

Under the NBS Scheme, policy initiatives to promote domestic production and reduce reliance on imports have resulted in a **sustained increase in P&K (DAP & NPKS) fertilizer output**.

The domestic production of DAP and NPKS fertilizers has **increased by over 50% from 112.19 LMT in 2014 to 168.55 LMT in 2025 (up to 30 December 2025)**. This significant growth underscores the effectiveness of the NBS Scheme in strengthening indigenous manufacturing capacity, ensuring the steady availability of essential plant nutrients, and advancing the Government's commitment to *Atmanirbharta* in the fertiliser sector.



Improved Soil Health and Farm Productivity

The implementation of NBS has demonstrated that applying Phosphatic & Potassic (P&K) fertilizers enhances farmland productivity and helps address multi-nutrient deficiencies in the soil. Since the scheme began, production of major crops has risen significantly. Foodgrain yields have increased from **1,930 kg per hectare in 2010-11 to 2,578 kg per hectare in 2024-25**.

Financial Support under NBS

Between 2022-23 and 2024-25, the Government of India allocated more than **₹2.04 lakh crore** in subsidies for both **indigenous and imported phosphatic and potassic (P&K) fertilizers** under the **Nutrient-Based Subsidy (NBS) Scheme**. This sustained financial assistance underscores the government's strong commitment to ensuring the **affordability, availability, and balanced use of fertilizers**.

Conclusion

The Nutrient-Based Subsidy (NBS) Scheme has emerged as a cornerstone of India's fertilizer policy, promoting **balanced fertilization, soil health, and sustainable agriculture**. Through concerted policy measures, the Government has strengthened domestic manufacturing, expanded the number of **fertilizer grades from 25 to 28**, and introduced initiatives such as freight subsidies on Single Super Phosphate (SSP) and inclusion of Potash Derived from Molasses (PDM) to promote indigenous production. The digitalization of monitoring through the Integrated Fertilizer Management System (iFMS) and regular coordination with States has enhanced transparency, accountability, and timely supply across regions.

Sustained financial support of over ₹**2.04 lakh crore** between **2022–23 and 2024-25** underscores the Government's commitment to affordability and availability for farmers. The NBS Scheme has not only driven growth in domestic P&K production (DAP and NPKS) **-from 112.19 LMT in 2014 to 168.55 LMT in 2025 (till 30.12.2025)**-but also contributed to higher foodgrain productivity, improved soil nutrient balance, and strengthened self-reliance in the fertilizer sector. Together, these outcomes reflect the scheme's success in harmonizing productivity, sustainability, and farmer welfare.

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