

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**RAJYA SABHA**

**STARRED QUESTION NO. 73\* TO BE ANSWERED ON : 13.12.2022**

**Increasing prices of fertilizers**

**\*73. SMT. RANJEET RANJAN:**

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the steps being taken by Government to become self-reliant in the matter of fertilizers;
- (b) whether it is a fact that Ukraine-Russia war is creating a shortage of fertilizers in the country due to which the prices of fertilizers in the country have also gone up significantly and farmers have to spend more money for this; and
- (c) if so, the details thereof and the steps being taken by Government in this regard?

**ANSWER**

MINISTER OF HEALTH & FAMILY WELFARE AND CHEMICALS & FERTILIZERS

**(DR. MANSUKH MANDAVIYA)**

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(a) to (c): A statement is laid on the table of the House.

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**STATEMENT REFERRED TO RAJYA SABHA STARRED QUESTION NO. 73 FOR 13.12.2022 REGARDING 'INCREASING PRICES OF FERTILIZERS' TABLED BY SMT. RANJEET RANJAN.**

(a): Sir, in order to achieve self sufficiency in urea sector, Government of India mandated revival of Ramagundam (Telangana), Gorakhpur (Uttar Pradesh), Sindri (Jharkhand) and Talcher (Odisha) units of Fertilizer Corporation of India (FCIL) and Barauni (Bihar) Unit of Hindustan Fertilizer Corporation Ltd (HFCL) through Joint Venture Company (JVC) of nominated PSUs for setting up new ammonia-urea plants of 12.7 LMTPA capacity each. Ramagundam and Gorakhpur units were commissioned on 22.03.2021 and 07.12.2021 respectively whereas Barauni and Sindri units also started urea production on 18.10.2022 and 05.11.2022 respectively.

P&K Fertilizers are in decontrolled sector and as such the fertilizers are imported by the concerned fertilizers companies. Department of Fertilizers monitors the supply situation and in the aftermath of the Russia -Ukraine war the focus is to facilitate long term tie ups and short term supplies of P&K fertilizers from alternative sources in consultation with other concerned ministries such as - Ministry of External Affairs, Ministry of Finance, Department of Commerce etc.

(b): The availability of fertilizers in India is comfortable as shown in the table given below:

(source:iFMS Dashboard)

<b>All India Position for Rabi 2022-23 in various States &amp; UTs (Upto 06/12/2022)</b>						
<b>Fig. in LMT</b>						
<b>S.No</b>	<b>Product</b>	<b>Seasonal Requirement for RABI 2022-23 (01/10/22 to 31/03/22)</b>	<b>Pro rata Requirement From 01/10/22 to 06/12/22</b>	<b>Availability From 01/10/22 to 06/12/22</b>	<b>Cumulative DBT Sales From 01/10/22 to 06/12/22</b>	<b>Closing Stock as on 06/12/22</b>
1	UREA	180.18	84.06	115.34	69.18	46.17
2	DAP	55.38	36.20	44.71	34.12	10.59
3	MOP	14.35	7.12	8.73	4.47	4.26
4	NPKS	56.97	27.49	48.13	24.30	23.82
5	SSP	33.64	18.92	27.77	13.34	14.43

\* In addition to above, the fertilizer stocks of nearly 19.14 LMT is lying at plants & ports for further movement to States/UTs.

"Urea is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). Vide Gazette notification dated 1<sup>st</sup> March 2018, the MRP of 45 kg bag of urea has been fixed at Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between delivered price of urea to the farm gate and net market realization is paid as subsidy to the urea manufacturing companies/importers. Accordingly, all farmers are being provided subsidized/cheaper urea. There is no increase of MRP of urea due to Russia-Ukraine war."

In addition, for non Urea (P&K fertilizers), GoI has analyzed the situation and notified the subsidy rates under the Nutrient Based Subsidy (NBS) scheme in such a way that the international price rise does not affect farming community of India and these fertilizers could be made available at the affordable rates to Indian farmers. The subsidy rates under NBS scheme during FY 2021-22 and FY 2022-23 are as under:

S. No.	Nutrient	NBS (Rs. Per Kg of Nutrient) (from 01.04.2021 to 19.05.2021)	NBS (Rs. Per Kg of Nutrient) (from 20.05.2021 to 31.03.2022)	NBS (Rs. Per Kg of Nutrient) (from 1.04.2022 to 30.9.2022)	NBS (Rs. Per Kg of Nutrient) (from 1.10.2022 to 31.3.2023)
1.	N	18.789	18.789	91.96	98.02
2.	P	14.888	45.323	72.74	66.93
3.	K	10.116	10.116	25.31	23.65
4.	S	2.374	2.374	6.94	6.12

Further,

1. DoF granted permission to Madhya Bharat Agro product Limited Unit-II, Banda Sagar, MP for production of DAP/NPK with installed capacity 1,20,000 MT per annum.
2. DoF granted permission to Pararadeep Phosphates Ltd to manufacture additional DAP/NPK complex to the tune of 8 LMT per annum utilizing the 2 trains of ZACL Goa Plant.
3. RCF, Thal has been granted permission for a new DAP/NPK plant with annual capacity of 5 LMT and FACT, Kochi also planned a DAP/NPK plant with annual capacity of 5.5 LMT.
4. Additional Cost on production/ imports of DAP from 25.10.2021 to 31.3.2022 within a ceiling of Rs. 8000 at no profit/ no loss has been provided.
5. PDM or Potash Derived from Molasses (0-0-14.5-0) has been included under NBS scheme.
6. Freight Subsidy on SSP which is an indigenously manufactured fertilizer, has been made applicable for Kharif 2022 and Rabi 2022-23.
7. Prioritising the exploration of minerals for raw materials for DAP & other fertilizers in India, in consultation with Ministry of Mines, GSI, MECL, FAGMIL and concerned State Governments.

(c): The following steps are taken by the Government every season to meet the adequate and timely requirement of fertilizers in India.

- i. Before the commencement of each cropping season, Department of Agriculture and Farmers Welfare (DA&FW), in consultation with all the State Governments, assesses the state-wise and month-wise requirement of fertilizers.
- ii. On the basis of requirement projected, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to the states by issuing monthly supply plan and continuously monitors the availability.
- iii. The movement of all major subsidized fertilizers is monitored throughout the country by an on-line web based monitoring system called integrated Fertilizer Monitoring System (iFMS).
- iv. The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Markfed etc.
- v. Regular Weekly Video Conference is conducted jointly by DA&FW and DoF with State Agriculture Officials and corrective actions are taken to dispatch the fertilizers as indicated by the State Governments.
- vi. A dedicated control room has been established to monitor the availability & movement of fertilizers on real time basis.

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