

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 476 TO BE ANSWERED ON : 06.02.2024

Production and imports of fertilizers

476: SHRI RYAGA KRISHNAIAH:

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

- (a) the details of estimated domestic production and imports of fertilizers in 2022-23;
- (b) the details of estimated demand for fertilizers in 2022-23 and measures being taken to ensure supply;
- (c) whether Government is taking any steps to ensure that farmers are protected from rising costs of fertilizers; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) to (d): The details of the domestic production, imports and demand of the fertilizers in the country during 2022-23 are as under:

Total Fertilizers Production, Imports & Fertilizers Demand during 2022-23 (Figures in 'LMT')			
Year	Domestic Production of Fertilizers	Imports of Fertilizers	Fertilizers Demand
2022-23	485.29	187.81	628.26

The availability of fertilizers has remained comfortable across the country during the ongoing Rabi 2023-24 season. However, following steps are taken by the Government every season to meet the adequate and timely requirement of fertilizers in the country:

- 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 & month-wise requirement of fertilizers.

- ii. On the basis of requirement projected, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to 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. Regular Weekly Video Conference is conducted jointly by DA&FW and Department of Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.
- v. The gap between demand (requirement) and production of fertilizers is met through imports. The import for the season is also finalized well in advance to ensure timely availability.

Further, under Urea Subsidy Scheme (USS), Urea is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). Besides, under Nutrient Based Subsidy Policy, a fix amount of subsidy is notified on annual/semi-annual basis, which ensures availability of P&K fertilizers at reasonable prices to farmers. Accordingly, all farmers are supplied fertilizers at the subsidized rates.

Government announced New Investment Policy (NIP) – 2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in the urea sector and to make India self-sufficient in the urea sector. Total 6 new urea units have been set up under NIP – 2012. These are Panagarh urea unit of Matix Fertilizers and Chemicals Ltd. (Matix); Gadepan-III urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL); Ramagundam urea unit of Ramagundam Fertilizers and Chemicals Ltd. (RFCL); and 3 urea units namely Gorakhpur, Sindri and Barauni of Hindustan Urvarak & Rasayan Limited (HURL). Each of these units have the installed urea production capacity of 12.7 Lakh Metric Tonne per annum. Therefore, these units have together added 76.2 LMT per annum in the existing indigenous urea production capacity of the country which is currently 283.74 LMT. Further, an exclusive policy has been notified on 28th April 2021 for the revival of Talcher unit of FCIL by setting up a new greenfield urea plant of 12.7 LMT per annum at coal gasification route.

Government notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 with one of the objectives of maximizing indigenous urea production. The NUP-2015 led to additional production of urea as compared to the production during 2014-15.

In order to increase indigenous urea production in the country, 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 LMT per annum capacity each. The Ramagundam and Gorakhpur units have been commissioned on 22.03.2021 and 07.12.2021 respectively. Also, Barauni and Sindri units started urea production on 18.10.2022 and 05.11.2022 respectively. These four plants have added 50.8 LMT of domestic urea production capacity in the country.

Further, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/produce these fertilizers as per their business dynamics. Based on examination of requests received, permission is granted to the fertilizer companies for increasing their manufacturing capacity and for induction of new P&K companies & their fertilizer products under NBS, with a view to boost manufacturing and make country self-reliant in fertilizer production.
