

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 2589 TO BE ANSWERED ON: 12.08.2025

Imports of phosphorous and ammonia for making DAP fertilizer

2589. SHRI SAKET GOKHALE:

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

- (a) the total volume and cost of annual imports of phosphorous and ammonia by Government used for manufacturing Di-Ammonia Phosphate (DAP) fertilizer;
- (b) whether there has been a spike in international prices of phosphorous and ammonia and whether this will have an effect on DAP fertilizer prices in India, if so, the details of the expected impact; and
- (c) the steps and any additional subsidy interventions being taken by the Ministry in the current year 2025 to ensure that any increase in the cost of DAP fertilizer is not passed on to farmers through higher prices?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS
(SMT. ANUPRIYA PATEL)

(a) & (b): In case of Phosphatic and Potassic (P&K) fertilizers, Government has implemented Nutrient Based Subsidy (NBS) Policy w.e.f. 1.4.2010. Under the policy, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided to manufacturer / importer on subsidized P&K fertilizers depending on their nutrient content. P&K fertilizers are under Open General License (OGL) and fertilizer companies are free to import fertilizers/raw materials/intermediates as per their business dynamics. Further, P&K fertilizers are decontrolled and fertilizer companies are allowed to fix MRP as per market dynamics at reasonable level which is monitored by the Government.

(c): In order to keep targeted farm gate price of DAP @ ₹1350 per 50 Kg bag, Government of India has introduced special provisions over and above NBS Subsidy, like Rs. 3500 per MT to cover 'Other Costs' which includes costs incurred from factory gate to farm gate, advantage / disadvantage due to increase / decrease in international prices, provision for GST component included in the MRP and provision for reasonable return @ 4% of net MRP (MRP-GST) for both imported and domestic DAP for Kharif 2025 season.
