

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS  
**RAJYA SABHA**

**UNSTARRED QUESTION NO. 1134 TO BE ANSWERED ON: 10.02.2026**

**Imports and availability of fertilizer**

**1134 SHRI RAVI CHANDRA VADDIRAJU:**

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

- (a) whether Government has reviewed the impact of global geopolitical tensions on imports and availability of fertilizer,
- (b) if so, the steps taken to ensure uninterrupted supply during peak agricultural seasons;
- (c) whether alternative sourcing or domestic capacity expansion is being pursued;
- (d) whether the prices of essential medicines have increased despite the Drugs (Prices Control) Order (DPCO);
- (e) if so, the details thereof; and
- (f) the action taken against manufacturers for violations, if any?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

**(a) & (b):** Yes, Sir. The Government has reviewed the impact of global geopolitical tensions on import and availability of fertilizers. In this regard, Government facilitates Memoranda of Understanding (MOU)/Agreements between Indian companies and suppliers from resource-rich countries to diversify import sources and ensure reliable supply of fertilizer or fertilizer inputs. Further, under the Nutrient-Based Subsidy (NBS) Scheme for P&K fertilizers, international price volatility of key fertilizers and raw materials is considered while fixing subsidy rates to keep fertilizers affordable for farmers.

To ensure timely and adequate supply of fertilizers in the country, 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. 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. 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). Regular Weekly Video Conference is conducted jointly by DA&FW and D/o

Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.

**(c):** To increase domestic production of Phosphatic and Potassic(P&K) fertilizers the following measures have been taken by the Government:

(i) Based on the requests, the new manufacturing units or increase in manufacturing capacity of existing units have been recognized / taken on record under the NBS Scheme.

(ii) The number of P&K fertilizers covered under NBS policy has increased from 22 grades in 2021 to 28 grades.

(iii) Freight Subsidy on SSP, which is an indigenously manufactured fertilizer, has been approved since Kharif, 2022 to promote SSP usage for providing Phosphatic or 'P' nutrient to the soil.

With regard to Urea, the Government had 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 which includes 4 urea units set up through Joint Venture Companies (JVC) of nominated PSUs and 2 urea units set up by the private companies. The units set up through JVC are Ramagundam urea unit of Ramagundam Fertilizers and Chemicals Ltd (RFCL) in Telangana and 3 urea units namely Gorakhpur, Sindri and Barauni of Hindustan Urvarak & Rasayan Limited (HURL) in Uttar Pradesh, Jharkhand and Bihar, respectively. The units set up by private companies are Panagarh urea unit of Matix Fertilizers and Chemicals Ltd. (Matix) in West Bengal; and Gadepan-III urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL) in Rajasthan. Each of these units has installed capacity of 12.7 Lakh Metric Tonne per annum (LMTPA). These units are highly energy efficient as they are based on latest technology. Therefore, these units have together added urea production capacity of 76.2 LMTPA, thereby total indigenous urea production capacity (Reassessed Capacity, RAC) has increased from 207.54 LMTPA during 2014-15 to 283.74 LMTPA during 2023-24. Further, an exclusive policy for the revival of Talcher unit of FCIL through JVC of nominated PSUs namely Talcher Fertilizers Limited (TFL) by setting up a new Greenfield Urea plant of 12.7 LMTPA at coal gasification route has also been approved. Recently, the Union Cabinet has approved the proposal for setting up of a new Brownfield Ammonia-Urea Complex of 12.7 Lakh Metric Tonnes (LMT) annual capacity of Urea production within the existing premises of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL), Namrup, Assam namely Assam Valley Fertilizer and Chemical Company Ltd. (AVFCCL).

In addition, the Government also notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for the existing 25 gas-based urea units with one of the objectives of maximizing indigenous urea production beyond RAC. The NUP-2015 has led to additional production of urea by 20-25 LMT as compared to the production during 2014-15 annually.

Above steps together have facilitated increase of Urea production from level of 225 LMT per annum during 2014-15 to a record Urea Production at 314.07 LMT during 2023-24. During 2024-25, 306.67 LMT of Urea was produced in the country.

**(d) to (f):** Prices of drugs are regulated as per the provisions of the Drugs (Prices Control) Order 2013 (DPCO, 2013). The National Pharmaceutical Pricing Authority (NPPA) under the Department of Pharmaceuticals (DoP) controls prices of medicines by fixing ceiling prices of formulations specified in Schedule-I to DPCO, 2013 which is

based on the National List of Essential Medicines (NLEM) published by Ministry of Health and Family Welfare (MoHFW).

On account of refixation of prices since incorporation of medicines listed in NLEM, 2022 as scheduled formulations, there has been an average reduction in ceiling prices of around 17%.

Further, as per the provisions of DPCO, 2013, the ceiling prices of scheduled medicines are revised annually on the basis of Wholesale Price Index (WPI) (All commodities) for the preceding calendar year, on or before the 1<sup>st</sup> of April of every year. The ceiling prices of scheduled medicines for the financial year 2025-26 were increased by 1.74028% with effect from 01.04.2025, based on annual change in WPI (All commodities).

NPPA also fixes the retail prices of new drugs as defined in paragraph 2(1)(u) of DPCO, 2013. The annual increase permitted in the case of Scheduled formulations is up to the level of annual revision in Wholesale Price Index (WPI). In case of non-scheduled formulation, no manufacturers can increase MRP by more than 10% of the MRP during preceding 12 months. Prices of both scheduled and non-scheduled formulations are monitored and action is taken against companies found overcharging consumers or violating the provisions of the DPCO, 2013.

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