

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

Rajya SABHA

UNSTARRED QUESTION NO. 3552 TO BE ANSWERED ON: 24.03.2026

Availability of fertilizers

3552: Shri Lahar Singh Siroya:

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

- (a) whether Government has taken measures to ensure adequate availability of fertilizers and strengthen domestic fertilizer production during 2025-26 to support farmers across the country;
- (b) the initiatives taken to improve fertilizer supply chains and distribution systems in the country including in Karnataka; and
- (c) the impact of these measures on agricultural productivity, affordability of fertilizers and overall food security in the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (c) The following measures are taken by the Government every season for ensuring timely and adequate supply of fertilizers in the country, including the State of Karnataka:

- 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 by DA&FW, D/o Fertilizers allocates 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 Management System (iFMS).
- IV. 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.
- V. The distribution of fertilizers within the State is done by the respective State Government.

Besides, as per the information received from Government of Karnataka, the initiatives to improve Fertilizer Supply Chain and Distribution in the State are as under:

- I. **Supply Planning and Coordination:** Based on the grade-wise and company-wise monthly supply plan received from the Government of India, the State prepares a district-wise, product-wise, and company-wise distribution plan. This is done in consultation with fertilizer manufacturers and implemented through Primary Agriculture Cooperative Societies (PACS) and Licensed private fertilizer retailers.
- II. **Buffer Stock Mechanism:** To prevent shortages during peak agricultural seasons, the state operates a Fertilizer Buffer Stock Scheme through Karnataka State Co-operative Marketing Federation and Karnataka State Seed Corporation. During peak demand periods, buffer stocks are released via PACS to ensure timely availability.
- III. **Mandatory Buffer Procurement:** For 2026-27, the State Government has mandated that 25% of DAP and urea from each rake/supply be reserved for buffer stock, strengthening supply resilience.

Accordingly, it is informed that the availability of fertilizers i.e. Urea, DAP, MOP and NPK has remained adequate in the country, including the State of Karnataka, during the FY 2025-26 (upto 18.03.2026). The information regarding requirement, availability and sales of these fertilizers during the said period in the country and in the State of Karnataka is placed at **Annexure**.

Further, with regards to strengthening domestic production of 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 of 314.07 LMT during 2023-24. During 2024-25 306.67 LMT of Urea was produced in the country.

To strengthen domestic fertilizer production and make country self-reliant the following measures have been taken by the Government:

- I. D/o Fertilizers has issued guidelines 18.01.2024 to ensure reasonableness of MRP and encourage domestic production.
- II. 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.
- III. The number of P&K fertilizers covered under NBS policy has increased from 22 grades in 2021 to 28 grades.
- IV. 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.

Above steps together have facilitated increase production of P&K fertilizers (including DAP & SSP) from 159.54 LMT in 2014-15 to 211.22 LMT in 2024-25.

In addition, under the Urea Subsidy Scheme, Urea is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. Accordingly, all farmers are being supplied urea at the subsidized rates.

Also, the Government has also implemented Nutrient Based Subsidy (NBS) Scheme w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the Scheme, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/manufacture these fertilizers as per their business dynamics. Further, the Government monitors international prices of key fertilizers and raw materials and fluctuations, if any, are subsumed by fixing NBS rates. Also, to ensure availability of P&K fertilizers at affordable prices, the NBS rates are fixed on bi-annual basis.

Annexure

Annexure referred to in reply to parts (a) to (c) of Rajya Sabha Unstarred Question No 3552 for answering on 24.03.2026

ALL INDIA & KARNATAKA FERTILIZERS POSITION DURING THE YEAR 2025-26 (Till 18.03.26)				
				fig. in LMT
S.No	PRODUCT	ALL INDIA		
		Requirement	Availability	DBT Sales
1	UREA	375.18	439.87	387.51
2	DAP	109.39	120.41	98.57
3	MOP	26.07	29.70	21.81
4	NPKS	155.54	194.90	147.15
S.No	PRODUCT	KARNATAKA		
1	UREA	18.26	21.09	17.91
2	DAP	5.87	7.60	5.80
3	MOP	2.21	3.08	2.36
4	NPKS	16.64	26.54	20.70
