

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 5100 ANSWERED ON. 27.03.2018**

**Fertilizer Requirement**

**5100. SHRI G. HARI:**

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

- (a) whether it is true that the fertilizer requirement has increased to 320 lakh tonne annually;
- (b) whether the annual fertilizer production from operating fertilizer plants has been ramped up from 225 lakh tonne to 245 lakh tonne without additional investment;
- (c) whether neem coating of urea has been introduced to raise fertilizer efficiency and reduce consumption by 32 lakh tonne per year; and
- (d) if so, the details thereof?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

**(RAO INDERJIT SINGH)**

(a): The requirement, availability & sales of Urea fertilizer during the last three years and current year upto 22.03.2018 are given in the table below:

**<Figures in LMT>**

<b>Year</b>	<b>Requirement</b>	<b>Availability</b>	<b>Sales</b>
<b>2014-15</b>	306.71	310.42	308.74
<b>2015-16</b>	313.35	329.00	319.68
<b>2016-17</b>	289.09	309.08	296.07
<b>2017-18 (as on 22.03.2018)</b>	298.52	304.81	293.14

(b): The actual production of Urea fertilizer during the last three years and current year (estimated) is given in the table below:

&lt;Figures in LMT&gt;

Product	2014-15	2015-16	2016-17	2017-18 (estimated)
Urea	225.85	244.75	242.01	239.04

It is mentioned here that based on CCEA decision, vide notification dated 25<sup>th</sup> May, 2015, Department of Fertilizers has notified New Urea Policy – 2015 (NUP-2015) effective from 1<sup>st</sup> June, 2015, with the objectives of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government. NUP-2015 has led to 244.75 LMT of urea during the year 2015-16 i.e., the highest ever urea production in the country.

(c) & (d): Vide notification dated 25<sup>th</sup> May, 2015 Department of Fertilizers has made it mandatory for all the domestic producers of urea to produce 100% as Neem Coated Urea with an extra MRP of 5% (of Rs. 5360/- per MT) to be charged by the fertilizer manufacturing entities from farmers. Entire quantity of indigenously produced urea and imported urea is being neem coated w.e.f 1<sup>st</sup> September, 2015 and w.e.f 1<sup>st</sup> December, 2015 respectively. Mandatory coating of indigenous/imported urea has been well received by the farmers. Due to its slow release of Nitrogen, the Nitrogen Use Efficiency (NUE) of Neem Coated Urea increases resulting in reduced consumption of Neem Coated Urea (NCU) as compared to Normal urea. Since farmers mostly assess the requirement of urea in terms of bags for agricultural purpose, vide notification dated 4<sup>th</sup> September, 2017, Department has decided to introduce 45 kg bag of urea in place of existing 50 kg bag. Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW) was entrusted to conduct a study to determine the impact of Neem Coated Urea. The interim report prepared by Agricultural Development and Rural Transformation Centre (ADRTC), Bengaluru has been submitted by DAC&FW. The brief findings of study conducted are as follows:

- I. Improvement in soil health.
- II. Reduction in costs with respect to plant protection chemicals
- III. Reduction in pest and disease attack
- IV. An increase in yield of paddy to an extent of 5.79 per cent.
- V. An increase in yield of sugarcane to extent of 17.5 per cent
- VI. An increase in yield of maize to the extent of 7.14 per cent
- VII. An increase in yield of Soybean to the extent of 7.4 per cent
- VIII. An increase in yield of Tur/Red Gram to the extent of 16.88 percent.
- IX. Diversion of highly subsidized urea towards non-agricultural purposes negligible among farmers after the introduction of the mandatory policy of production and distribution of only neem coated urea.

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