

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

LOK SABHA

STARRED QUESTION NO. 431 TO BE ANSWERED ON: 31.03.2023

Indigenous production of DAP fertilizer

431. SHRI RAJESHBHAI CHUDASAMA :

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

- (a) the steps taken/proposed to be taken by the Government to provide adequate supply of Di-ammonium Phosphate (DAP) fertilizer at subsidized cost;
- (b) whether the Government has taken any initiative to produce DAP in the country; and
- (c) if so, the details thereof along with the current status of such initiative?

ANSWER

MINISTER OF CHEMICALS & FERTILIZERS AND HEALTH & FAMILY WELFARE  
(DR. MANSUKH MANDAVIYA)

---

(a) to (c): A statement is laid on the table of the House.

\*\*\*\*\*

**STATEMENT REFERRED TO LOK SABHA STARRED QUESTION NO. 431 FOR 31.03.2023 REGARDING "INDIGENOUS PRODUCTION OF DAP FERTILIZER" TABLED BY SHRI RAJESHBHAI CHUDASAMA**

-----

(a) to (c): Sir, the following steps are taken by the Government every season to meet the adequate and timely requirement of fertilizers including DAP in the country.

- I. Based on the requirement of States projected by Department of Agriculture and Farmers Welfare, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability.
- II. Regular Weekly Video Conference is conducted jointly by DA&FW and DoF with State Agriculture Officials and corrective actions are taken to dispatch fertilizer as indicated by the State Governments.
- III. In order to bridge the gap between the demand and production, imports are tied up. Several long-term agreements/ MoUs/JVs for imports of P&K fertilizers including DAP/ raw materials have been concluded between P&K Fertilizer companies from India and Fertilizer companies from other countries such as Jordan, Saudi Arabia, Oman, Morocco, Canada, Russia, Israel and Germany. These agreements/ MoUs/JVs are entered to secure the import of DAP and raw material well in time before each season on long term basis..
- IV. The Nutrient Based Subsidy (NBS) scheme has been implemented w.e.f. 1.4.2010 for Phosphatic and Potassic (P&K) Fertilizers. A fixed amount of subsidy, decided on annual/semi-annual basis, is provided on subsidised P&K fertilizers depending on their nutrient content including DAP. To provide DAP at affordable rates to farmers, Government of India under its Nutrient Based Subsidy (NBS) scheme has increased the subsidy for P&K fertilizers considerably in past 2 years to absorb the major portion of increase in international prices of fertilizers/intermediates and raw materials to keep prices stable and affordable for the farmers.
- V. A special one-time package with additional subsidy has been provided (effective from 01.10.2021 to 31.3.2022) for DAP at Rs.8769/MT and 3 most consumed NPK fertilizers (10:26:26, 20:20:0:13 and 12:32:16) at Rs. 2000/MT for each grade in order to make P&K fertilizers available at affordable prices to the farmers.

- VI. An Additional Cost on production/ imports of DAP from 25.10.2021 to 31.3.2022 within a ceiling of Rs. 8000 at no profit/ no loss was also provided so that DAP (most consumed Phosphatic fertilizers by farmers) is made available at affordable rates to farmers.
- VII. Following steps/initiatives has been taken in the direction of DAP production in the country:
- i. Permission given to Madhya Bharat Agro product Ltd. for production of 1.2 LMT per annum of DAP/NPK in September 2021. The production capacity was increased from 1.2 LMT to 2.4LMT per annum during December, 2022.
  - ii. Permission given to M/s. Krishna Phoschem Ltd., Meghnagar, M.P. for production of 3.30 LMT per annum of P&K fertilizer per annum in December, 2022.
  - iii. Government also permitted PPL to manufacture additional DAP and NPK to the tune of 8 LMT per annum of P&K fertilizers during 2021-22.
  - iv. The initiatives to augment the capacity of raw materials/intermediates namely Phosphoric Acid, Rock Phosphate and Sulphuric Acid are as below:
    - (a) RSMML, a PSU of Government of Rajasthan, is producing Rock Phosphate to the tune of 7-8 LMT per annum (appx.).
    - (b) Coromandel International Limited has commissioned a Phosphoric Acid plant of 2 LMT in 2020 and is to set up a Sulphuric Acid plant of 5 LMT in July 2023.
    - (c) M/s. Greenstar Fertilizers Ltd. (Chennai) has obtained Consent to Operate for Phosphoric Acid production to the tune of 3.20 LMT per annum and Consent to Establish for expansion of Sulphuric Acid plant of 8.5 LMT per annum from the State Pollution Control Board.