

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS
LOK SABHA
UNSTARRED QUESTION NO. 2130 TO BE ANSWERED ON: 29.07.2022

Decline in Fertilizer Subsidy

2130: SHRI SISIR KUMAR ADHIKARI:
SHRI LAVU SRI KRISHNA DEVARAYALU:
SHRI N. REDDEPPA:

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

- (a) whether a 10 percent decline in the sales of fertilizers was reported in 2021, if so, the details thereof;
- (b) whether a 24.9 percent decline in budget allocations toward the fertilizer subsidy under BE 2023 as against RE 2022 has impacted the accessibility of fertilizers to the farmers and if so, the details thereof;
- (c) the details of the projected demand and domestic production of fertilizers in the country for 2022-23, State/UT-wise;
- (d) whether the Government also anticipates a shortage of urea, as predicted by some experts and if so, the measures being taken to resolve the issue thereof; and
- (e) the measures taken/proposed to be taken to contain the rising costs of raw materials for non-urea fertilizers?

ANSWER

MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS
(SHRI BHAGWANTH KHUBA)

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- (a): No sir. Sales of fertilizer for the FY 2020-21 & 2021-22 is enclosed as **Annexure-A**.
 - (b): No sir. Under the DBT in Fertilizers system, 100% subsidy on various fertilizer grades is released to the fertilizer companies on actual sales to the beneficiaries through PoS devices installed at each retail shop on No denial Basis.
 - (c): The details of requirement of fertilizer (during the ongoing Kharif Season 2022) as assessed by Department of Agriculture & Farmers Welfare (DA&FW) in consultation with the State Government is annexed at **Annexure-B**. The demand of fertilizer for Rabi 2022-23 season has not been assessed yet. The projected domestic production of fertilizer in the country for FY 2022-23 is as follows:

YEAR	Urea	DAP	Complex
2022-23	317.00	45.08	97.35

Figures: In LMT

(d): No Sir. The availability of fertilizers have remained comfortable during the ongoing Kharif 2022 season. Further, following steps are taken by the Government every season to meet the adequate and timely requirement of fertilizers in all the States.

- 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, Department of Fertilizers allocates sufficient/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 Monitoring System (iFMS);
- iv. The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Markfed etc.
- v. 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.
- vi. The gap between demand (requirement) and production for Urea & other fertilizer is met through imports. The import for the season is also finalised well in advance to ensure timely availability.

(e): In wake of the increasing prices of the raw materials of non-urea fertilizers, Government has been encouraging Indian Companies to establish Joint Ventures abroad in countries which are rich in fertilizer resources for production facilities with buy back arrangements and to enter into long term agreement for supply of fertilizers at reasonable prices.

ANNEXURE:A				
ALL INDIA FERTILIZER SALES COMPARISON				
<FIG IN LMT>				
S.NO	PRODUCT GROUP	FY 2021-22	FY 2020-21	% GROWTH
1	UREA	341.73	350.51	-2.50
2	DAP	92.64	119.18	-22.27
3	MOP	23.93	34.32	-30.27
4	NPKS	121.37	125.82	-3.54
GRAND TOTAL		579.67	629.83	-7.96

ANNEXURE:B		
FERTILIZER REQUIREMENT FOR KHARIF 2022		
<FIGURES IN LMT>		
S.NO	PRODUCT GROUP	REQUIREMENT
1	UREA	179.01
2	DAP	58.82
3	MOP	19.82
4	NPKS	63.72
