

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO. 3337 TO BE ANSWERED ON 05.08.2022

Demand and Domestic Production of Fertilizer

3337: SHRI CHANDRA SEKHAR BELLANA:

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

- (a) the details of the quantity of fertilizers and urea being produced in the country at present; and
- (b) the details of the steps taken to ensure the availability of sufficient quantity of fertilizer and urea along with its timely and sufficient supply to the farmers?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS
(**SHRI BHAGWANTH KHUBA**)

(a) : The details of quantity of indigenous production of fertilizers in the country during 2021-22 and 2022-23 (upto June 2022) are given below:-

Production of major fertilizers during 2021-22 and 2022-23 (up to June 2022)		
(Figures in LMT)		
Fertilizer Products	2021-22	2022-23 (up to June 2022)
Urea	250.72	66.60
DAP	42.22	10.98
Complex Fertilizers	83.27	19.29

(b) : Government of India has notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for existing 25 gas based urea units with the objective of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government. The implementation of NUP-2015 has led to additional production from the existing gas based urea units due to which the actual production of urea has increased by 20-25 LMTPA in comparison to the actual production during 2014-15.

Predicting the demand-supply gap and increased price of the imported urea, in 2021-22 one-time permission was granted to the urea units set up under the new investment policy and the units converted recently from naphtha to natural gas as feedstock to produce beyond their annual installed capacity. This

helped additional production of 1.51 Lakh Metric Ton (LMT) of Urea. Further, urea unit of Matix Fertilizers and Chemicals Limited (Matix) in Panagarh had been lying shutdown since November 2017 was facilitated in restarting its production. Matix restarted production in September 2021 and produced 6.29 LMT urea during 2021-22. Further, Department of Fertilizers by means of various review meetings from time to time instructed all the urea units not to take any planned shutdown and optimize their urea production. These measures together led to the urea production of 250.72 LMT during 2021-22 which is the highest production, so far.

Government has notified Potash derived from Molasses (0-0-14.5-0) under its Nutrient Based Subsidy (NBS) Scheme vide notification dated 13.10.2021. Potash derived from Molasses is a 100% indigenously manufactured fertilizers. This inclusion will help in increasing production of fertilizers.

Further, the following steps are taken by the Government to ensure adequate availability of fertilizers in the country: -

- 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 requirement of fertilizers. After assessment of requirement, DA&FW projects month wise & state-wise requirement of all fertilizers.
- ii. On the basis of month-wise & State-wise projection given by DA&FW, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitoring the availability.
- iii. The movement of all major subsidized fertilizers are 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.
- v. Regular Weekly Video Conference is conducted jointly by Department of Agriculture and Farmers Welfare (DA&FW), Ministry of Railways and Department of Fertilizers (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 is met through timely imports. In case of P&K fertilizers, the imports come under Open & General license and fertilizer companies import these fertilizers based on their commercial judgments.
