

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 971 TO BE ANSWERED ON: 22.07.2022

Cost of Fertilizers and Urea

971: SHRI D.K. SURESH:

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

- (a) whether the prices of urea and other fertilizers are on the rise in the recent times;
- (b) if so, the details thereof;
- (c) whether farmers are not able to sustain the current cost of fertilizers and urea;
- (d) if so, the details thereof;
- (e) whether the Government has taken any measures to ease the burden on farmers by reducing prices of fertilizers; and
- (f) if so, the details and the outcome thereof?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) to (f): Yes, Sir. The prices of fertilizers were on the rise globally in the recent times. However, fertilizers have been provided to the farmers at affordable prices.

In case of Urea, Maximum Retail Price (MRP) is statutorily notified. 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.

In case of P&K fertilizers, the prices are de-controlled under the Nutrient Based Subsidy (NBS) policy. Accordingly, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government. The subsidy rates of P&K fertilizers are under the Nutrient Based Subsidy (NBS) scheme which were increased on 20.5.2021 & 13.10.2021 (giving special compensation on DAP and 3 most commonly used NPK fertilizers) for the year 2021-22 and then further increased substantially for Kharif-2022 (applicable from 01.4.2022 to 30.9.2022), so that these fertilizers are made available at affordable prices to the farmers. The increase in the per kg subsidy rates for nutrients viz. N, P, K and S under NBS scheme is as under:

Sl. No.	Nutrients	NBS (Rs. Per Kg of Nutrient) (from 01.04.2021 to 19.05.2021)	NBS (Rs. Per Kg of Nutrient (from 20.05.2021 to 31.03.2022) **	NBS (Rs. Per Kg of Nutrient) (from 01.04.2022 to 30.09.2022)
1.	N	18.789	18.789	91.96
2.	P	14.888	45.323	72.74
3.	K	10.116	10.116	25.31
4.	S	2.374	2.374	6.94

\*\* 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.

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