

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 3064 TO BE ANSWERED ON: 09.08.2024

AFFORDABLE FERTILIZERS FOR FARMERS

3064. DR. BYREDDY SHABARI:

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

- (a) whether the Government is taking any steps to ensure that fertilizers remain affordable to the farmers in the country;
- (b) if so, the details thereof;
- (c) whether any scientific study has been conducted to assess the impact of chemical fertilizer on the soil and plants; and
- (d) if so, the details thereof including the steps taken/proposed to be taken by the Government to phase out all chemical fertilizers in the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SMT. ANUPRIYA PATEL)

(a) & (b): For Phosphatic & Potassic (P&K) fertilizers, Government has implemented Nutrient Based Subsidy (NBS) scheme w.e.f. 1.4.2010. Under NBS scheme, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided on subsidized P&K fertilizers depending on their nutrient content including Di-Ammonium Phosphate (DAP). Under this scheme, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government. The P&K sector is a decontrolled and under the NBS scheme the companies are free to take initiatives to produce/import fertilizers as per market dynamics.

Further, in order to ensure smooth availability of DAP at affordable prices to farmers, Government has provided special packages on DAP over and above the NBS subsidy rates on need basis. Recently, in 2024-25, due to geo-political situation, adversely affecting the viability of procurement of DAP by the fertilizer companies, the Government has approved One-time special package on DAP beyond the NBS rates on actual PoS (Point of Sale) sale of DAP for the period from 01.04.2024 till 31.12.2024 @ ₹ 3500 per MT to the P&K fertilizer companies to ensure sustainable availability of DAP at affordable prices to the farmers. Further, the guidelines on evaluation of reasonableness of MRPs fixed by the P&K Fertilizer companies also ensure availability of fertilizers at affordable prices to farmers.

Urea, is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable) and the MRP has remained unchanged since 01.03.2018 to till date. 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.

(c) & (d): Indian Council of Agricultural Research has assessed the impact of long-term use of chemical fertilizers in different soil types under dominant cropping systems. The investigation over the last few decades indicated that in NPK alone system (chemical fertilizer alone), nutritional disorders in terms of deficiency of micro and secondary nutrients surfaced affecting soil health and crop productivity. Inorganic fertilizer + organic manure at recommended dose sustained crop yield and soil fertility. Highest decline in crop yield was observed in plot receiving imbalanced fertilization and only urea. Therefore, ICAR is recommending soil test based balanced and integrated nutrient management practices through conjunctive use of both inorganic and organic sources.

The Government has implemented “PM Programme for Restoration, Awareness Generation, Nourishment, and Amelioration of Mother-Earth (PM-PRANAM)” from June, 2023 to support the mass movement started by States/UTs to save the health of Mother Earth by promoting sustainable and balanced use of fertilizers, adopting alternate fertilizers, promoting organic farming and implementing resource conservation technologies. Under the said scheme, 50% of the fertilizer subsidy saved by a State/UT in a particular financial year by way of reduction in consumption of chemical fertilizers (Urea, DAP, NPK, MOP) compared to previous 3 years’ average consumption, will be passed on to that State/UT as Grant.

Further, the Government has approved the Market Development Assistance (MDA) @ Rs. 1500/MT to promote organic fertilizers, i.e. manure produced at plants under GOBARdhan initiative covering different Biogas/CBG support schemes/programmes of stakeholder Ministries/Departments such as Sustainable Alternative Towards Affordable Transportation (SATAT) scheme of Ministry of Petroleum and Natural Gas (MoPNG), ‘Waste to Energy’ programme of Ministry of New & Renewable Energy (MNRE), Swachh Bharat Mission (Rural) of Department of Drinking Water & Sanitation (DDWS), etc. with total outlay of Rs. 1451.84 crore (FY 2023-24 to 2025-26), which includes a corpus of Rs. 360 crore for research gap funding, etc.
