

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 3551 TO BE ANSWERED ON: 21.03.2025**

**Supply and Price Regulation of Fertilizers**

**3551: SHRI CHHOTELAL:**

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

- (a) whether the Government has formulated any special scheme to ensure the supply and price regulation of fertilizers in the country; and
- (b) if so, the various steps taken by the Government to provide farmers with affordable and adequate supply of fertilizers?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

(a) & (b): The following steps are taken by the Government every season for ensuring timely and 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 state-wise & month-wise requirement of fertilizers.
- ii. On the basis of requirement projected, Department of Fertilizers allocates 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. Regular Weekly Video Conference is conducted jointly by DA&FW and D/o Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.

Further, in order to ensure supply of Urea at affordable prices, under Urea Subsidy Scheme, it is presently 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). 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.

Moreover, Government has implemented Nutrient Based Subsidy Policy w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the policy, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided on notified P&K fertilizers depending on their nutrient content. The P&K sector is decontrolled, fertilizer companies are allowed to fix MRP at reasonable levels. The fertilizer companies manufacture/import fertilizers as per the market dynamics. The Government monitors international prices of key fertilizers and raw materials and fluctuations, if any, are subsumed while fixing NBS rates for P&K fertilizers annually / bi-annually to ensure affordable supply of P&K fertilizers to the farmers.

Besides, in wake of recent geopolitical crisis which led to major disruption in supply of fertilizers, pro-active steps were taken in Kharif 2024 to ensure smooth availability of P&K fertilizers to the farmers. In July 2024, the Government took immediate measures to ensure regular imports through a one-time special package on DAP beyond the NBS rates for the period from 01.04.2024 to 31.12.2024 @ 3,500 per MT which has now been extended till 31.03.2025 to ensure sustainable availability of DAP at affordable price to the farmers.

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