

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 5563 TO BE ANSWERED ON: 27.03.2026

Enforcement Measures against Black Marketing

5563. Shri Rajesh Verma:
Dr. D. Purandeswari:
Shri Arun Bharti:
Smt. Shambhavi:

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

(a) whether the Government has undertaken strict enforcement measures against fertilizer hoarding in February, 2026, if so, the details thereof and if not, the reasons therefor;

(b) whether over five thousand licences were cancelled for malpractices related to hoarding, black marketing or diversion of fertilizers, if so, the details thereof;

(c) whether inspections and monitoring mechanisms were strengthened to prevent such malpractices in the future, if so, the details thereof and if not, the reasons therefor;

(d) whether consultations have been held with State authorities, fertilizer manufacturers and distributors to ensure compliance, if so, the details thereof and if not, the reasons therefor; and

(e) the expected impact of these enforcement measures on fertilizer availability, prices and agricultural support to farmers?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (d) In order to address the issues such as diversion, hoarding and black-marketing, fertilizers are declared as an essential commodity under the Essential Commodities (EC) Act, 1955 and notified under Fertilizer Control Order, 1985. State Governments are empowered to take action against persons involved in said malpractices, as per provisions of EC Act. Any complaints received at Department of Fertilizers level regarding these malpractices is also sent to concerned State Government to take appropriate action under Essential Commodities Act, 1955 and Fertilizer Control Order, 1985.

However, Department of Agriculture and Farmers Welfare (DA&FW), in consultation with the State Governments, is regularly monitoring the enforcement action taken by State Governments against the cases of black marketing, hoarding, sub-standard and

diversion on weekly basis and regularly pursuing with the State Governments to strictly implement the enforcement action against the defaulters.

Accordingly, as per information received from the DA&FW, since April 2025, 4,66,415 raids have been conducted with 16,246 show cause notices issued, 6,802 licenses suspended/cancelled and 821 FIRS registered against defaulters to curd these malpractices. Further, during the month of February, 2026, with respect to hoarding cases, 28 show cause notices were issued, 2 licenses were suspended/cancelled and 2 FIRS were registered against defaulters.

(e) The availability of fertilizers viz. Urea, DAP, MOP and NPKS has remained adequate in the country during the ongoing Rabi 2025-26 season. The information regarding requirement, availability and sales of these fertilizers during the said season is as under:

REQUIREMENT, AVAILABILITY & SALES OF FERTILIZERS DURING THE RABI 2025-26 (Till 18.03.26)				
fig. in LMT				
S. No.	PRODUCT	ALL INDIA		
		Requirement	Availability	DBT Sales
1	UREA	191.72	249.17	196.42
2	DAP	52.72	74.55	52.74
3	MOP	15.17	18.98	11.03
4	NPKS	80.34	114.66	66.35

Further in order to ensure availability of Urea at affordable price, under the Urea Subsidy Scheme, it 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). 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.

Besides, the Government has implemented Nutrient Based Subsidy (NBS) Scheme w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under NBS policy, the subsidy is provided to manufacturer/ importer on notified P&K fertilizers on its PoS sale during the season, depending on their nutrient content to ensure availability of fertilizers to farmers. 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. Further, to ensure affordability, special provisions like Rs. 3500 per MT to cover 'Other Costs' which includes costs incurred from factory gate to farm gate, advantage / disadvantage due to increase / decrease in international prices, provision for GST component included in the MRP and provision for reasonable return @ 4% of net MRP (MRP-GST) have been extended to both imported and domestic DAP and imported TSP over and above NBS subsidy for Kharif 2025 and Rabi 2025-26 seasons.