GOVERNMENT OF INDIA

MINISTRY OF CHEMICALS AND FERTILIZERS

DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION **NO. 1073** TO BE ANSWERED ON**: 24.07.2026**

Strategy for Securing DAP Supply Chain

1073. SHRI Y S AVINASH REDDY:

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

(a) whether the Government is aware that only forty per cent of Diammonium Phosphate (DAP) demand of the country is met through domestic production, with the remainder being imported, and that during 2024-25 Government provided a one-time special subsidy package of Rs. 3,500 per metric tonne on DAP beyond the Nutrient-Based Subsidy rates due to geopolitical disruptions affecting procurement and if so, the details thereof;

(b) whether any long-term strategic agreements have been concluded by the Government to secure the phosphate supply chain;

(c) whether the said agreements are subject to Parliamentary oversight/price review mechanisms and if so, the details thereof; and

(d) if not, the reasons therefor?

ANSWER

THE MINISTER IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SH. JAGAT PRAKASH NADDA)

(a): India being a resource scarce country, the indigenous production of fertilizers does not commensurate with the requirement in the country. The gap is fulfilled through imports from various countries. The information regarding demand, availability, sales and domestic production of Diammonium Phosphate (DAP) in the country during the year 2024-25 is as under:

Demand, availability, sales and domestic production of DAP in the country during the year 2024-25 (in LMT)			
Requirement	**Availability**	**Sales**	**Domestic Production**
111.92	105.14	96.29	37.69

In 2024-25, the Government has approved one-time special package on DAP beyond the NBS rates on actual PoS (Point of Sale) sale of DAP from 01.04.2024 @ ₹ 3500 per MT to cover 'Other Costs' which includes costs incurred from factory gate to farm gate to ensure sustainable availability of DAP at affordable prices to the farmers.

(b) to (d): The Government has implemented Nutrient Based Subsidy (NBS) Scheme w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the Scheme, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/manufacture these fertilizers as per their business dynamics. However, to strengthen the fertilizer supply chain, the Government facilitates long-term agreements between Indian fertilizer companies and overseas suppliers for the import of fertilizers. In this regard, Long Term Agreements (LTA) have been finalized between Indian fertilizer companies and Saudi Arabian companies for the annual supply of about 31 LMT of DAP to India. Similarly, Indian fertilizer companies have entered into agreements with Russian suppliers for the import of about 26.50 LMT of DAP/NPK fertilizers in this year.

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