

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 2093 TO BE ANSWERED ON: 22.03.2022

Shortage of chemical fertilizers

2093: SHRI SAMBHAJI CHHATRAPATI :

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

- (a) whether the farmers are struggling hard for purchase of Urea, DAP, MOP and other phosphatic and potassic fertilizers for use in farming due to short supply in co-operative stores and market;
- (b) if so, the reasons thereof;
- (c) the action Government has taken to increase supply of essential chemical fertilizers in view of the fact that the total farm yield during rabi season is likely to get adversely affected; and
- (d) the steps Government has taken to increase indigenous production of nitrogenic, phosphatic and potassic fertilizers and to reduce dependence on imports?

ANSWER

MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS
(**SHRI BHAGWANT KHUBA**)

- (a) & (b): No, Sir. The availability of fertilizers is comfortable across the country during the ongoing Rabi 2021-22 season. However, in between the season, some states highlighted shortfall of DAP fertilizer, particularly in few districts. Accordingly, based on the requests of State Governments, DAP rakes were moved to meet the requirement.
- (c) The following steps are taken by the Government every season to meet the adequate and timely requirement of fertilizers in all the States.
 - 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 sufficient/ 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. The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Markfed etc.
- v. Regular Weekly Video Conference is conducted jointly by DA&FW and DoF with State Agriculture Officials and corrective actions are taken to dispatch fertilizer as indicated by the State Governments.
- vi. The gap between demand (requirement) and production for Urea & other fertilizer is met through imports. The import for the season is also finalised well in advance to ensure timely availability.

(d) : The following steps/efforts are made by DoF taken to increase indigenous production of nitrogenic, phosphatic, and potassic fertilizer and to reduce dependence on imports:

The Government had announced New Investment Policy (NIP) – 2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in the urea sector and to make India self-sufficient in the urea sector. Under NIP – 2012 read with its amendment, Matix Fertilizers and Chemicals Ltd.(Matix), Chambal Fertilizers and Chemicals Ltd. (CFCL), Ramagundam Fertilizers and Chemicals Ltd.(RFCL) and Hindustan Urvarak & Rasayan Limited (HURL) have set up urea plants of 12.7 Lakh Metric Ton per annum (LMTPA) capacity each at Panagarh-West Bengal, Gadepan-Rajasthan (Gadepan-III), Ramagundam-Telangana and Gorakhpur-Uttar Pradesh respectively.

In addition to above, revival of 1 closed unit of Fertilizers and Chemicals India Ltd. FCIL namely Sindri and 1 closed unit of Hindustan Fertilizers and Chemicals Ltd. (HFCL) at Barauni by means of setting up of new greenfield urea units of 12.7 LMTPA at each of the locations is also included under the NIP-2012 read with its amendment. For the revival of Talcher unit of FCIL by setting up a new greenfield urea plant of 12.7 LMTPA an exclusive policy has been notified on 28th April 2021.

The Government of India has also notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for existing 25 gas based urea units with the objective of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government. The implementation of NUP-2015 has led to additional production from the existing gas based urea units due to which the actual production of urea has increased by 20-25 LMTPA in comparison to the actual production during 2014-15.

Long Term Agreement:

1. Efforts made to ensure regular and sufficient supply of raw materials of P&K fertilizers to India at reasonable prices from various countries which is an ongoing process.

Other efforts made :

1. DoF granted permission to Madhya Bharat Agro product Limited Unit-II, Banda Sagar, MP for production of 1,20,000 MT per annum.
2. Paradeep Phosphates Ltd is to manufacture additional DAP/NPK complex to the tune of 8 LMT per annum utilizing the 2 trains of ZACL Goa Plant.
3. A new DAP/NPK Plant by RCF with annual capacity of 5 LMT and investment of 950 crore in Thal is to start production in 2024.
4. A new DAP/NPK Plant by FACT with annual capacity of 5.5 LMT at a cost of Rs 537 crore Commissioning in June 2024.
5. PDM or Potash Derived from Molasses (0-0-14.5-0) which is 100% indigenously manufactured has been included under NBS scheme vide. notification dated 13.10.2021.
