

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS AND FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**RAJYA SABHA**

**UNSTARRED QUESTION NO. 181 TO BE ANSWERED ON : 19.7.2022**

**Import of fertilizers**

181 SHRI SUBHAS CHANDRA BOSE PILLI:

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

- (a) whether Government has created alternative tie-ups with countries to import fertilizers in the aftermath of the Russia-Ukraine war;
- (b) if so, the details thereof, and if not, the reasons therefor;
- (c) the steps taken by Government to help India attain self-sufficiency in fertilizers;
- (d) whether Government has assessed the manner in which the rising international prices of fertilizers will affect farmers;
- (e) if so, the details thereof, and if not, the reasons therefor; and
- (f) whether Government has made any plans to help protect poor farmers in this regard?

**ANSWER**

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS  
(SHRI BHAGWANTH KHUBA)

(a) & (b): Department of Fertilizers has confirmed and finalized a proposal to procure 10LMT urea annually for a period of 3 years from OQ Trading, Oman. The final Term sheet of the Urea-off Take agreement between Government of India and OQ Trading has been signed. Accordingly, urea shipments from OQ Trading have started to arrive from February 2022.

P&K Fertilizers are in decontrolled sector and as such the fertilizers are imported by the concerned fertilizers companies. Department of Fertilizers continuously monitors the supply situation and in the aftermath of the Russia -Ukraine war the focus is to facilitate long term tie ups and short term supplies of P&K fertilizers from alternative sources in consultation with other concerned ministries such as - Ministry of External Affairs, Ministry of Finance, Department of Commerce etc.

(c): 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. (RFCL), 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 in 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.

The government has facilitated the production of Nano-urea in the country

For Potassic & Phosphatic fertilizers, to help India attain self-sufficiency in fertilizers, permission has been granted to Madhya Bharat Agro product Limited Unit-II, Banda Sagar, MP for production of 1.20 LMT per annum, Paradeep Phosphates Ltd manufacture additional DAP/NPK complex to the tune of 8 LMT per annum utilizing the 2 trains of ZACL Goa Plant, RCF for new DAP/NPK plant with annual capacity of 5 LMT and investment of 950 crore in Thal, and FACT for new DAP/NPK Plant with annual capacity of 5.5 LMT at a cost of Rs 537 cr..

Further, PDM or Potash Derived from Molasses (0-0-14.5-0) which is 100% indigenously manufactured has been included under Nutrient Based Subsidy (NBS) scheme.

(d) to (f): The rising international prices of fertilizers are closely monitored and accordingly, the subsidy rates under Nutrient Based subsidy (NBS) scheme were increased on 20.5.2021, 13.10.2021 and 27.04.2022 so that the P&K fertilizers may be made available to farmers timely at affordable prices.

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