

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 2093 TO BE ANSWERED ON :15.12.2023**

**Shortage in Production of Fertilizers**

**2093: SHRI ASHOK MAHADEORAO NETE:**

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

- (a) whether the production of fertilizers in the country has not been enough to meet the demand of the same;
- (b) if so, the details thereof; and
- (c) the measures taken/proposed to be taken by the Government to meet the requirement of fertilizers indigenously?

**ANSWER**

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

**(SHRI BHAGWANTH KHUBA)**

(a) to (c): Fertilizers are made available to the farmers, majorly through indigenous production. However, the gap between demand-supply is met through imports in the country. The details of the total all fertilizers production and total all fertilizers demand in the country during 2019-20 to 2022-23 are as under:

<b>Total All Fertilizers Production, Total All Fertilizers Demand during 2019-20 to 2022-23</b>		
<b>(Figures in 'LMT')</b>		
<b>Year</b>	<b>Total All Fertilizers Production</b>	<b>Total All Fertilizers Demand</b>
<b>2019-20</b>	425.95	581.50
<b>2020-21</b>	433.68	601.91
<b>2021-22</b>	435.95	640.27
<b>2022-23</b>	485.29	628.26

The availability of fertilizers has remained comfortable across the country during the ongoing Rabi 2023-24 season. However, following steps are taken by the Government every season to meet the adequate and timely requirement 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 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. Regular Weekly Video Conference is conducted jointly by DA&FW and DoF with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.
- v. The gap between demand (requirement) and production of fertilizers is met through imports. The import for the season is also finalized well in advance to ensure timely availability.

Further, under Urea Subsidy Scheme (USS), Urea is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). Besides, under Nutrient Based Subsidy Policy, a fix amount of subsidy is notified on annual/semi-annual basis, which ensures availability of P&K fertilizers at reasonable prices to farmers. Accordingly, all farmers are supplied fertilizers at the subsidized rates.

Government of India ensures adequate availability of urea to meet the requirements of states/UTs. In order to increase the availability of urea through indigenous sources, Government of India announced New Investment Policy (NIP) – 2012 to facilitate fresh investment in the Urea sector and to make India self sufficient in the Urea sector. A total of 6 new Urea units have been set up under NIP – 2012, which together have added 76.2 LMT per annum in the existing indigenous Urea production capacity of the country. In addition, Government of India also introduced the New Urea Policy (NUP)–2015 on 25<sup>th</sup> May, 2015 with one of the objectives of maximizing indigenous urea production. The NUP-2015 has led to additional production of urea by 20-25 LMTPA as compared to the production during 2014-15.

Further, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/produce these fertilizers as per market dynamics. Based on examination of requests received, permission is granted to the fertilizer companies for increasing their manufacturing capacity and for induction of new P&K companies & their fertilizer products under NBS, with a view to boost manufacturing and make country self-reliant in fertilizer production.

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