

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO.27 TO BE ANSWERED ON 02.02.2024

Import of Fertilizers

**27. DR. T. SUMATHY (a) THAMIZHACHI THANGAPANDIAN:
SHRI D.M. KATHIR ANAND:**

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

- (a) whether it is a fact that India's import of fertilizers during 2022-23, stands at US\$ 18 Billion and from China alone accounts about US\$ 3 Billion and if so, the details thereof;
- (b) the steps taken/proposed to be taken by the Government to attain self-sufficiency in demand and supply of Fertilizers by 2030;
- (c) whether the Government has been providing Rs. 80,000 crore as Fertilizer subsidy every year; and
- (d) if so, the details thereof along with the current prices of fertilizers along with the subsidy provided to farmers across the country, State/UT- wise?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a): The Government of India through Department of Fertilizers imports urea (Agriculture purpose) on Government account to bridge the gap between production and assessed demand. The import of urea and its value in Billion US\$ during the 2022-23 is as under:

Quantity (in Lakh MT) of urea imported in 2022-23	Value of urea in Billion US\$	Quantity (in Lakh MT) of urea imported from China in 2022-23	Value of urea imported from China in Billion US\$
75.80	4.751	12.80	0.831

So far as P&K fertilizers is concerned these grade of fertilizers are covered under Open General License (OGL) under the Nutrient Based Subsidy Scheme (NBS). They are imported by the companies on their commercially viable terms. The value of imported P&K fertilizers is not maintained in the Department. However, the quantum of P&K fertilizers imported during the year is given in the table below:

Quantity (in Lakh MT) of P&K fertilizers imported in 2022-23	Quantity (in Lakh MT) of P&K fertilizers imported from China in 2022-23
112.01	13.00

(b): 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. Total 6 new urea units have been set up under NIP – 2012. These are Panagarh urea unit of Matix Fertilizers and Chemicals Ltd. (Matix); Gadepan-III urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL); Ramagundam urea unit of Ramagundam Fertilizers and Chemicals Ltd. (RFCL); and 3 urea units namely Gorakhpur, Sindri and Barauni of Hindustan Urvarak & Rasayan Limited (HURL). Each of these units have the installed urea production capacity of 12.7 Lakh Metric Tonne per annum. Therefore, these units have together added 76.2 LMT per annum in the existing indigenous urea production capacity of the country which is currently 283.74 LMT. Further, an exclusive policy has been notified on 28th April 2021 for the revival of Talcher unit of FCIL by setting up a new greenfield urea plant of 12.7 LMT per annum at coal gasification route.

The Government has notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 with one of the objectives of maximizing indigenous urea production. The NUP-2015 has led to additional production of urea as compared to the production during 2014-15.

In order to increase indigenous urea production in the country, Government of India mandated revival of Ramagundam (Telangana), Gorakhpur (Uttar Pradesh), Sindri (Jharkhand) and Talcher (Odisha) units of Fertilizer Corporation of India (FCIL) and Barauni (Bihar) unit of Hindustan Fertilizer Corporation Ltd. (HFCL) through Joint Venture Company (JVC) of nominated PSUs for setting up new ammonia-urea plants of 12.7 LMT per annum capacity each. The Ramagundam and Gorakhpur units have been commissioned on 22.03.2021 and 07.12.2021 respectively. Also, Barauni and Sindri units started urea production on 18.10.2022 and 05.11.2022 respectively. These four plants have added 50.8 LMT of domestic urea production capacity in the country.

Government has implemented Nutrient Based Subsidy Policy w.e.f. 1.4.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the policy, a fixed amount of subsidy, decided on annual/semi-annual basis, is provided on notified P&K fertilizers depending on their nutrient content. Under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government.

Further, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/produce these fertilizers as per their business 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. The other measures taken are:

(i) To promote Potash derived from Molasses (PDM) which is 100% indigenously manufactured fertilizer has been notified under Nutrient Based Subsidy (NBS) regime w.e.f. 13.10.2021.

(ii) Freight subsidy on SSP, which is an indigenously manufactured fertilizer, has been made applicable for Kharif and Rabi 2023-24 to help in promotion of SSP usage for providing Phosphatic or 'P' nutrient to the soil.

(c): The year wise expenditure on NBS subsidy from 2019-20 onwards till present is as under:

2019-20	-	Rs. 83,468 crores (AE)
2020-21	-	Rs. 131,229 crores (AE)
2021-22		Rs. 157,640 crores (AE)
2022-23	-	Rs. 254,799 crores (AE)

(d): Urea 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.

The current average MRP of P&K fertilizers for the FY 2023-24 (as on 30.01.2024) (as received from NIC Consultant) is **enclosed**.

**Grade-wise Average MRP per MT of notified P&K fertilizer under NBS regime
(Figure in Rs.)**

S. No	Product	2023-24 as on 30.01.2024
1	10-26-26	29394
2	12-32-16	29958
3	14-28-0-0	30681
4	14-28-14	33500
5	14-35-14	30861
6	15-15-15	29017
7	15-15-15-9	29003
8	16-16-16	
9	16-20-0-13	24449
10	17-17-17	25000
11	19-19-19	31286
12	20-20-0	23656
13	20-20-0-13	25136
14	20-20-0-13(UAP)	
15	24-24-0	33120
16	24-24-0-8	30922
17	28-28-0	30882
18	Amm Sulphate	20000
19	Boronated 12-32-16	28500
20	City Compost	
21	DAP	27000
22	FOM	7052
23	Imported 10-26-26	29344
24	Imported 12-32-16	31232
25	Imported 15-15-15	29071
26	Imported 15-15-15-9	29048
27	Imported 16-16-16	25220
28	Imported 16-20-0-13	28998
29	Imported 17-17-17	
30	Imported 20-20-0	
31	Imported 20-20-0-13	26038
32	Imported DAP	27000
33	Imported DAP Lite	
34	Imported MAP	33980
35	Imported Neem Coated Urea(45 Kg)	
36	LFOM	6826
37	MOP	34208
38	Neem Coated Urea(45 Kg)	
39	PROM	14742

40	SSP-Boronated	12130
41	SSP-Granular	11057
42	SSP-Powdered	10536
43	SSP-Zincated (Granular)	11797
44	SSP-Zincated (Powder)	10984
45	SSP-Zincated-Boronated (Granular)	13998
46	TSP	25000
47	Zinc and Boron NPK 8-21-21(40 Kg)	42787
48	Zinc and Boron NPK 9-24-24(40Kg)	44732
49	Zincated 10-26-26	30000
50	Zincated 12-32-16	28500
51	Zincated 20-20-0-13	26445
52	Zincated DAP	
53	Zincated NPK 14-35-14	32000

* Data from <https://dbtfert.nic.in/>
