

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:632

ANSWERED ON:15.03.2012

SHORTAGE OF FERTILIZERS

Banerjee Shri Ambica; Bhagat Shri Sudarshan; Jaiswal Dr. Sanjay ; Jawale Shri Haribhau Madhav; Mahajan Smt. Sumitra; Majhi Shri Pradeep Kumar; Naqvi Shri Zafar Ali; Singh Dr. Raghuvansh Prasad; Singh Shri Jagada Nand

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

- (a) the demand and supply of various fertilizers in the country during each of the last three years and the current year, State-wise and fertilizer-wise;
- (b) whether the farmers are facing a lot of problems due to shortage of fertilizers in the country;
- (c) if so, the details thereof alongwith the reasons therefor, State-wise;
- (d) whether various State Governments including Jharkhand, West Bengal, Bihar, Maharashtra, Karnataka and Haryana have demanded additional supply of fertilizers; and
- (e) if so, the steps being taken by the Union Government to ensure the adequate supply of fertilizers to States and to achieve the self-sufficiency in the fertilizer production?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (d): There is generally no major shortage of fertilizers. The State-wise demand (requirement) and availability (supply) of major fertilizers like Urea, DAP, MOP & Complex fertilizers including Jharkhand, West Bengal, Bihar, Maharashtra, Karnataka and Haryana during the last three years and current year i.e. 2008-09, 2009-10, 2010-11 and 2011-12 (April'2011 to February'2012) are at Annexed-'A', 'B', 'C' & 'D' respectively.

As can be seen, the availability of urea is adequate. Similarly, the availability of phosphatic fertilisers i.e. DAP/NPK during the year 2011-12 (April'11 to February'12) has been adequate throughout the country. The short supply of DAP has been adequately compensated by additional supplies of NPK fertilizers. There was tightness in availability of MOP during Kharif'2011. There is no viable source of Potash in the country as such the entire demand of MOP is met through imports. During the year 2011-12, contracting for import of MOP could not be materialized upto the month of July due to substantial increase of prices and cartelization by MOP producers in the International market. The contracting of MOP took place only in the month of August. As a result, MOP availability for direct application as well as for indigenous production of NPK fertilizers is comfortable in Rabi'11-12.

(e): Further, the details steps taken by Government in making availability of fertilizers and increase the production of fertilizers in the country are as under:

i) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system ([www.urvarak.co.in](http://www.urvarak.co.in)) also called as Fertiliser Monitoring System (FMS);

ii) The gap between requirement and indigenous availability is met through imports;

iii) The state governments have been advised to instruct the State Institutional agencies to coordinate with manufacturers and importers of fertilizers for streamlining the supplies;

iv) State Governments play a proactive role to co-ordinate with the manufacturers/importers to tie up supplies of fertilizers as per the requirement of states;

v) Department of Fertilizers and Department of Agriculture & Cooperation are jointly reviewing fertilizer availability with Agriculture department of various States through Video Conferences every week. The corrective actions, if required, are taken immediately to avoid any hardships to the farmers;

vi) Fertilizer companies are required to print Maximum Retail Price (MRP) on the fertilizer bags clearly. Any sale above the printed net retail price will be punishable under the EC Act. Amount of subsidy per bag is also printed on each bag of Phosphatic and Potassic fertilizers;

vii) Department of Fertilisers is having constant interaction with Ministry of Petroleum & Natural Gas, GAIL and other prospective suppliers of Natural Gas / Liquid Natural Gas (NG/LNG) so that gas requirement of the fertilizers industry is met; and

viii) Government is always encouraging production of urea in the country to achieve self-sufficiency. The Government is considering a new policy for encouraging investments in Urea production plants. The country is almost fully dependent on imports to meet the requirements of phosphatic and potassic (P&K) fertilizers. Government has taken initiatives to encourage indigenous production in P&K sector by allowing import parity price to the indigenous manufacturers of DAP. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to acquire this important input at reasonable price. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizers inputs to P&K sector.