

ANNUAL REVIEW OF FERTILIZER PRODUCTION AND CONSUMPTION 2023-24 HIGHLIGHTS

Mixed Growth in Production

- **Fertilizer nutrients:** Production in 2023-24: N: 17.11 million MT (+8.7%), P_2O_5 : 4.88 million MT (-2.6%), $N+P_2O_5$: 21.99 million MT (+6.0%).
- **Fertilizer products:** Production during 2023-24: Urea: 31.41 million MT (+10.2%); DAP: 4.29 million MT (-1.2%); SSP: 4.43 million MT (-21.5%); NP/NPKs: 9.55 million MT (+2.7%), Total products: 50.50 million MT (+3.7%).

Decline in Import of Major Fertilizers

- **Imports of fertilizer products in 2023-24:** Urea: 7.04 million MT (-7.1%); DAP: 5.57 million MT (-15.4%); NP/NPKs: 2.22 million MT (-19.4%); MOP: 2.87 million MT (+53.8%), Total products: 18.15 million MT (-7.0%).

Retail Prices of Fertilizers

- Basic retail price (MRP) of urea remained unchanged at Rs.5360/- per MT. Price per bag of urea of 45 kg was fixed at Rs. 242/- w.e.f. 1st March 2018. 5% for coating of urea with *neem* oil and 5% GST are additional.
- MRP of P&K fertilizers are market driven under NBS policy. However, Department of Fertilizers has been earmarking indicative MRPs of DAP and NP/NPK complex fertilizers to be made available to the farmers at reasonable prices.

Positive Growth in Fertilizer Consumption

- **Consumption of nutrients in 2023-24:** N: 20.46 million MT (+1.2%); P_2O_5 : 8.31 million MT (+4.9%); K_2O : 1.88 million MT (+9.5%); Total ($N+P_2O_5+K_2O$): 30.64 million MT (+2.7%).
- **Consumption of fertilizer products in 2023-24:** Urea: 35.78 million MT (+0.2%); DAP: 10.81 million MT (+3.8%); MOP: 1.64 million MT (+0.8%); NP/NPK complex fertilizers: 11.07 million MT (+9.9%); SSP: 4.54 million MT (-9.4%); Total products: 64.84 million MT (+1.6%).

Change in NPK Use Ratio

- All-India NPK use ratio changed from 11.8:4.6:1 during 2022-23 to 10.9:4.4:1 during 2023-24.

Increase in Per Hectare Use

- Per hectare use of total fertilizer nutrients ($N+P_2O_5+K_2O$) increased from 136.2 kg in 2022-23 to 139.8 kg in 2023-24.

Share in Consumption of Fertilizers in 13 States: 92%

- Uttar Pradesh had the largest share (17.4%), followed by Madhya Pradesh (10%), Maharashtra (9.5%), Punjab (6.4%), Karnataka (6.3%), Rajasthan (6.2%), Gujarat (6.1%), Bihar & Telangana (5.8% each), Andhra Pradesh (5.6%), West Bengal & Haryana (4.7% each) and Tamil Nadu (3.5%).

Normal Monsoon at the Country Level

- Rainfall was 94% of the LPA during southwest monsoon 2023.
- Out of 36 meteorological sub-divisions, 29 received excess/normal rainfall and remaining 7 sub-divisions received deficient rainfall.

Decline in Production of Major Crops

- **Production of major crops in 2023-24:** Food grains: 328.9 million MT (-0.2%); oilseeds: 39.6 million MT (-4.3%), sugarcane: 442.5 million MT (-9.8%); cotton: 32.5 million bales (-3.4%) and jute & mesta: 9.7 million bales (+3.4%).

Fertilizer Policies

Budget Allocation for Fertilizer Aubsidy

2023-24	Budget allocation:	Rs.1,75,103 crore
	Revised Estimate:	Rs. 1,88,902 crore
	Urea:	Rs. 1,28,594 crore
	P&K:	Rs. 60,300 crore
2024-25	Budget allocation:	Rs.1,64,103 crore
	Budget for Urea:	Rs. 1,19,000 crore
	Budget for P&K:	Rs. 45,000 crore

Urea

- Continuation of representations with the DoF on the issues of fixed cost, production beyond reassessed capacity, target energy norms, recognition of investment in energy improvement projects, incentives for mixed fuel used by urea units, freight subsidy, etc.

P&K Fertilizers

- Representations with the DoF on the issues of P&K fertilizers, such as, reasonableness of MRPs, NBS rates, freight subsidy, GST rates and customs duty, etc. are continuing.
- Reduction in NBS rates on P&K fertilizers for 2023-24. ■