Quarterly Statistical Bulletin

Review of Fertilizer and Agriculture Situation

(For FAI members only)

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Contents

The Fertiliser Association of India
FAI House, 10 Shaheed Jit Singh Marg, New Delhi – 110067
CIN: U85300 DL 1955 NPL 002999
Phone: 91-11-26567144, Fax: 91-11-26960052
Website: https://www.faidelhi.org
Prepared in Statistics Division of FAI

1.0 Rainfall

1.1 Post monsoon 2020

Rainfall in the country during the post-monsoon season i.e. 1st October to 31st December, 2020 was 1% higher than the long period average (LPA). Actual rainfall was 124.6 mm as against normal of 123.8 mm. Out of 36 meteorological sub-divisions 20 sub-divisions received normal to excess rains. Remaining 16 sub-divisions received deficient/large deficient rainfall during the season. The states which received deficient/ large deficient rains include, Bihar, Jharkhand and West Bengal in east zone; Haryana, Punjab, Delhi, Uttar Pradesh and Uttarakhand in north zone; Kerala in south zone and Madhya Pradesh, Rajasthan and part of Gujarat and Maharashtra in west zone. About 46% of 688 reported districts received normal to excess rains during the season.

1.2 Water reservoirs

Water storage position in major reservoirs was less than the previous year but better than the normal storage. Live storage capacity of 128 reservoirs in the country is 172.13 billion cubic meter (BCM). As on 31st December, 2020 live storage available in these reservoirs was 123.88 BCM as against 135.79 BCM during the corresponding date in the previous year. Current year's storage was 91% of last year's storage and 121% of normal storage.

2.0 Fertilizer Scenario

2.1 Production

During April/December 2020, production of major fertilizer increased except DAP which declined over April/December 2019. Production of Urea, NP/NPK complex fertilizers and SSP increased by 3.5, 3.9 and 11.6%, respectively, during April/December 2020 over April/December 2019. However, production of DAP witnessed a decline of 12.5% during the period.

2.2 Import

Import of all major fertilizers showed increase during April/December 2020. Import of Urea increased by 15.8%, DAP 8.9%, NP/NPKs 71.7% and MOP by 16.6% during April/December 2020 over April/December 2019.

2.3 DBT Sale (sale by retailers)

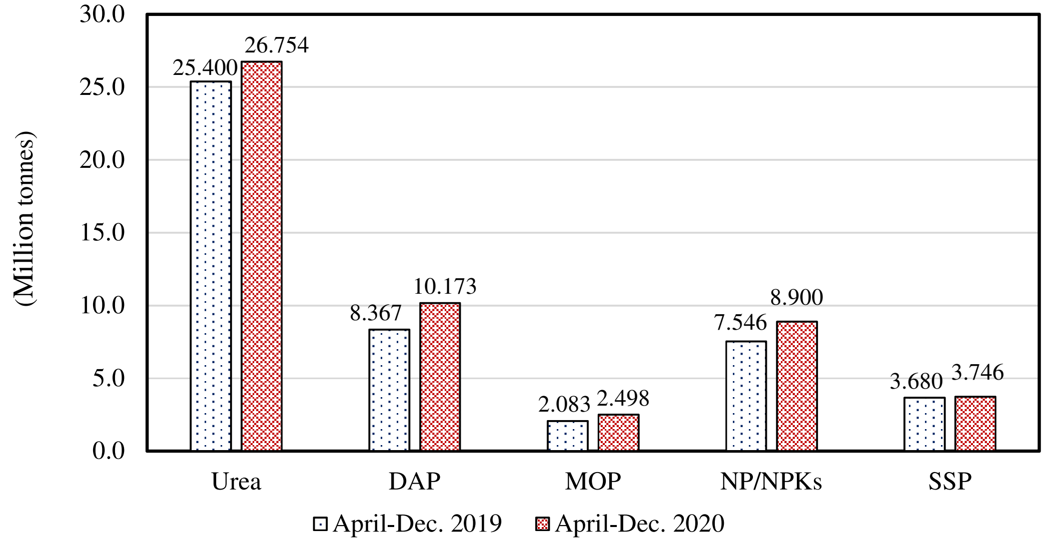
DBT sale (i.e., the sale by retailers through PoS machines) of Urea, DAP and NP/NPKs increased by 5.3, 21.6 and 18%, respectively, during April/December 2020 over the corresponding period of the previous year. Similarly, DBT sale of SSP and MOP increased by 1.8 and 19.9%, respectively, during the period.

Table 1 shows production, import and sale of major fertilizers during April/December 2019 and 2020.

Table 1: Production, Import and Sale of Major Fertilizers (April-December 2019 & 2020)					
	Urea	DAP	NP/NPKs	SSP	MOP
I. Production (Million tonnes)					
April – Dec. 2019	18.198	3.443	6.731	3.339	-
April – Dec. 2020	18.833	3.014	6.997	3.727	-
Increase/decrease (%)	3.5	-12.5	3.9	11.6	-
II. Import (Million tonnes)					
April – Dec. 2019	7.573	4.281	0.654	-	2.979
April – Dec. 2020	8.771	4.662	1.123	-	3.473
Increase/decrease (%)	15.8	8.9	71.7	-	16.6
III. Sale# (Million tonnes)					
April – Dec. 2019	25.400	8.367	7.546	3.680	2.083*
April – Dec. 2020	26.754	10.173	8.900	3.746	2.498*
Increase/decrease (%)	5.3	21.6	18.0	1.8	19.9
* MOP for direct application. # = Sale by retailers.					

Figure 1 shows DBT sale of major fertilizers during April/December 2019 and April/December 2020.

Figure 1. DBT sale of major fertilizers
(April-December 2019 and 2020)



3.0 Crop Situation

3.1 Crop area sown – Rabi 2020-21

As per the latest available data, total area sown under all *rabi* crops was 65.19 million hectares (Mha) upto 15th January, 2021 as compared to 64.19 Mha during the corresponding period in the previous year. Area coverage during *rabi* 2020-21 was 1.6% higher over *rabi* 2019-20. Among the principal crops, area covered under foodgrains and oilseeds increased by 1.1 and 4.6%, respectively, during *rabi* 2020-21 over *rabi* 2019-20. Area under wheat, rice and pulses increased by 2, 5 and 2.1%, respectively, during the period. However, area under coarse cereals showed a decline of 8.2% during the period. Among the major oilseed crops, area sown under rapeseed & mustard increased while area under other oilseed crops declined during the period.

Progress in area coverage under *rabi* 2020-21 crops upto 15th January, 2021 is shown in **Table 2**.

Table 2: Progress in area coverage under Rabi 2020-21 crops (Situation reported on 15-01-2021)

Crop	Normal area for whole *rabi* season (Million ha)	Area sown during *rabi* upto 15th January (Million ha)		Increase (+) / Decrease (-) In 2020-21 over 2019-20 upto 15th January	
		2020-21	2019-20	Area (Million ha)	%
Wheat	30.328	33.714	33.060	0.654	2.0
Rice	4.179	2.104	2.004	0.100	5.0
Coarse cereals	5.714	4.911	5.351	-0.440	-8.2
Total pulses	14.488	16.209	15.879	0.330	2.1
Total Foodgrains	**54.709**	**56.938**	**56.294**	**0.644**	**1.1**
Total oilseeds	7.318	8.256	7.896	0.360	4.6
Total crops	**62.027**	**65.194**	**64.190**	**1.004**	**1.6**

Note: Totals may not exactly tally due to rounding of figures.

4.0 Procurement, Stock and Exports of Foodgrains

4.1 Procurement

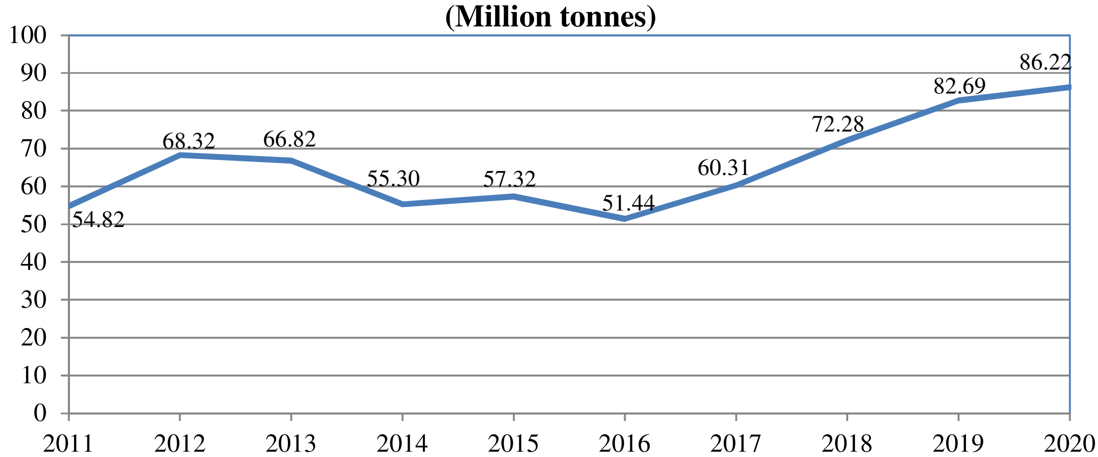
Procurement of rice for *kharif* 2020 is in progress. All India procurement of rice for *kharif* marketing season (KMS) 2020-21 upto 18th January, 2021 was 37.95 million MT. The procurement of rice was highest in Punjab at about 13.59 million MT, followed by Uttar Pradesh 4.07 million MT, Chhattisgarh 3.98 million MT, Haryana 3.76 million MT, Telangana 3.11 million MT, Madhya Pradesh 2.46 million MT, Odisha 2.33 million MT and Andhra Pradesh 1.60 million MT. The procurement was less than 1 million MT in remaining rice growing states. ***Annex I*** shows the state-wise procurement of rice for the *kharif* marketing season 2020-21.

All India procurement of wheat for *rabi* marketing season (RMS) 2020-21 was 38.99 million MT. Out of 38.99 million MT of wheat, procurement by Madhya Pradesh was 12.94 million MT, followed by Punjab 12.71 million MT, Haryana 7.40 million MT, Uttar Pradesh 3.58 million MT and Rajasthan 2.23 million MT. The procurement was less than 1 million MT in remaining wheat growing states. ***Annex II*** shows state-wise procurement of *wheat* during the *rabi* marketing season 2020-21.

4.2 Foodgrain Stock

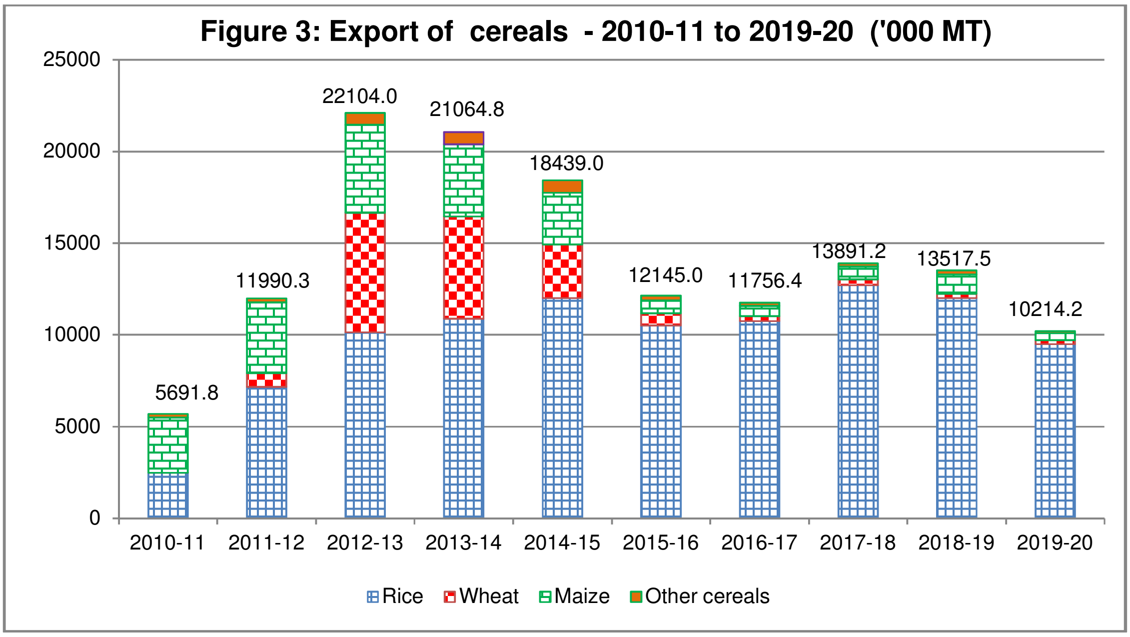
Figure 2 shows the changes in stock of foodgrains in Central Pool as on 1st December for last one decade. Total stock of foodgrains in Central Pool has improved significantly in 2020. As on 1st December, stock of foodgrains was 55 million MT in 2011 which increased to 68 million MT in 2012. It slipped during the subsequent years and touched 51 million MT in 2016. Thereafter, it started moving up and crossed 86 million MT in 2020.

Figure 2: Stocks of foodgrains in Central Pool as on 1st December (Million tonnes)



4.3 Exports

Figure 3 shows export of cereals during 2010-11 to 2019-20. During the past ten-year period, export of cereals was highest in 2012-13 at 22 million MT. Thereafter, it came down with some improvement noticed in 2017-18, followed by marginal decline in 2018-19. In 2019-20, it further reduced to 10.21 million MT. Out of 10.21 million MT of cereals exported in 2019-20, rice accounted for 9.49 million MT, wheat 0.22 million MT, maize 0.37 million MT and other cereals 0.13 million MT.



During the current year 2020-21, export of cereals during April/October 2020 was 10.61 million MT. Out of 10.61 million MT of cereals, export of rice accounted for 8.87 million MT, wheat 0.51 million MT, maize 1.15 million MT and other cereals 0.08 million MT.

5.0 Global Food Outlook 2020

The Food Outlook, November 2020 issue of FAO shows estimated global production of cereals and oil crops during 2019-20 compared with actuals for 2018-19 and forecast for 2020-21.

World production of rice at 501.1 million MT in 2019-20 was down by 1% over the previous year's level. It is expected to increase to 508.7 million MT during 2020-21, 1.5% higher than the level of 2019-20. Bulk of the forecast growth is expected from Asia and USA. However, prospects are more subdued for other regions due to floods, coupled with input constraints and limited water for irrigation.

Global production of wheat is estimated at 761.9 million MT in 2019-20, 4% higher than the level of the previous year. In 2020-21, it is anticipated at 762.7 million MT, marginally up by 0.1% over 2019-20. Higher increase is expected in Australia, the Russian Federation and India.

World coarse grains output at 1444 million MT in 2019-20 was up by 2.6% over 2018-19. It is estimated to increase by 2.4% at 1478.3 million MT in 2020-21 over 2019-20. Bulk of the increase in production is expected due to higher maize production. Global maize production is expected to increase in USA and South Africa as well as record harvests in Argentina and Brazil.

World oil crops production is estimated at 587.3 million MT in 2019-20, down by 3.9% over 2018-19. The forecasts for production of oil crops at 613.3 million MT during 2020-21 mark a record of 4.4% increase over 2019-20 due to increase in soybean production. In USA, soybean production is set to rebound strongly due to recovery in both areas planted and yields. Global sunflower production could fall in the Black Sea Region due to unfavourable weather conditions. Global rapeseed production could remain low due to decline in production in the European Union.

Table 3 shows the world food production of various crops during 2018-19 with estimates for 2019-20 and forecast for 2020-21.

Table 3: World production of cereals and oil crops during 2018-19, 2019-20 (estimated) and forecast for 2020-21

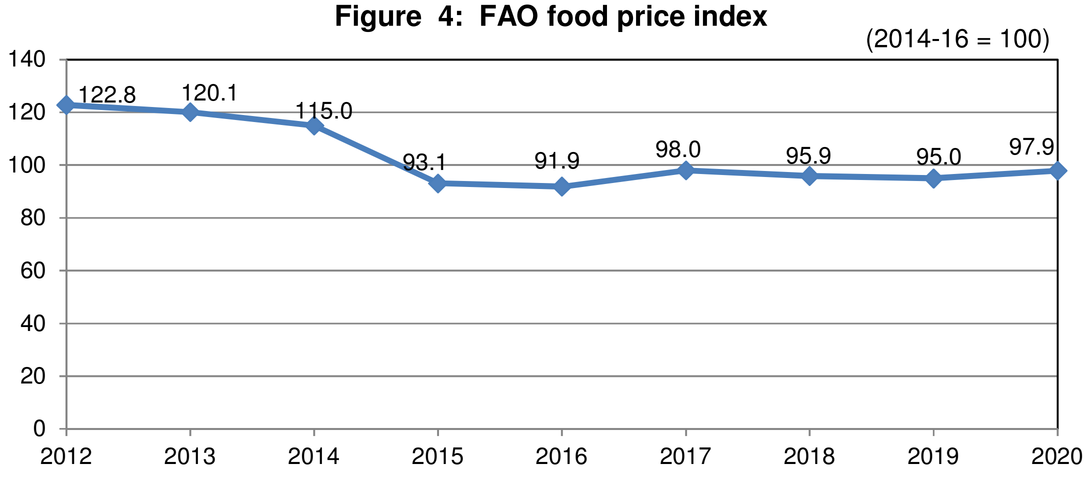
Crop	2018-19 (million MT)	2019-20 (Estimated) (million MT)	2020-21 (Forecast) (million MT)	% change in 2019-20 over 2018-19	% change in 2020-21 over 2019-20
Rice	506.3	501.1	508.7	-1.0	1.5
Wheat	732.4	761.9	762.7	4.0	0.1
Coarse grain	1407.7	1444.0	1478.3	2.6	2.4
Total Cereals	**2646.4**	**2707.0**	**2749.7**	**2.3**	**1.6**
Oil crops	611.0	587.3	613.3	-3.9	4.4

Source: Food Outlook – November 2020, FAO, Rome.

6.0 FAO Food Price Index

FAO food price index consists of 5 commodity group price indices, viz., cereals, sugar, vegetable oils, meat and dairy. The food price index has remained by and large low during past 5-year period compared to the prices prevailed during 2012 to 2014. The food price index was 115 and above between 2012 and 2014. It plummeted to a low of 92 during 2016. Thereafter, it moved up at 98 in 2017. But it went down progressively during the subsequent period and touched at 95 in 2019. It moved up at 98 in 2020. **Figure 4** shows trends in FAO food price index from 2012 to 2020.

Figure 4: FAO food price index



Source: FAO, Rome

7.0 Index of Eight Core Industries for April/November, 2020

The Office of Economic Adviser, Department for Promotion of Industry and Internal Trade released Index of Eight Core Industries (Base: 2011-12=100) for the month of November, 2020 and April-November 2020 on 31st December, 2020.

Among the eight core industries, except fertilizers, production index of all other industries showed decline during April/November 2020 over April/November 2019. Cumulative index of coal and crude oil declined by 2.6 and 6%, respectively, during the period. Similarly, cumulative index of natural gas, refinery products, steel, cement and electricity declined by 12.1, 14.9, 19.4, 19.5 and 4.7%, respectively, during April/November 2020 over corresponding period of the previous year. Only fertilizer industry showed a positive growth of 3.8% during the period. Overall decline in production index was 11.4% during April/November 2020 over April/November 2019.

The performance of eight core industries during past 5-years is given in **Table 4**.

Table 4: Performance of Eight Core Industries
(2015-16 to 2019-20 and April/November 2020)
(Base year 2011-12 = 100)

(Per cent)

Sector	**Weight**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**April-Nov. 2019**	**April-Nov. 2020**
Coal	10.3335	4.8	3.2	2.6	7.4	-0.4	-5.4	-2.6
Crude Oil	8.9833	-1.4	-2.5	-0.9	-4.1	-5.9	-5.9	-6.0
Natural Gas	6.8768	-4.7	-1.0	2.9	0.8	-5.6	-3.1	-12.1
Refinery Products	28.0376	4.9	4.9	4.6	3.1	0.2	-1.1	-14.9
Fertilizers	2.6276	7.0	0.2	0.03	0.3	2.7	4.0	3.8
Steel	17.9166	-1.3	10.7	5.6	5.1	3.4	6.7	-19.4
Cement	5.3720	4.6	-1.2	6.3	13.3	-0.9	0.01	-19.5
Electricity	19.8530	5.7	5.8	5.3	5.2	0.9	0.8	-4.7
Overall Growth	**100**	**3.0**	**4.8**	**4.3**	**4.4**	**0.4**	**0.3**	**-11.4**

Source: Office of the Economic Adviser, Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India.

8.0 First Advance Estimates of National Income for 2020-21

The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation released a press note on First Advance Estimates of national income for 2020-21 on 7th January, 2021.

8.1 Gross Domestic Product (GDP)

GDP at Constant Prices (2011-12) as per the 1st advance estimates for 2020-21 was estimated at Rs.134.40 lakh crore as against provisional estimate for the year 2019-20 at Rs.145.66 lakh crore. The decline in GDP during 2020-21 is estimated at 7.7% compared to the positive growth of 4.2% in 2019-20.

8.2 Gross Value Added (GVA) at Basic Prices

GVA at basic prices is estimated at Rs. 123.39 lakh crore in 2020-21 as against Rs. 133.01 lakh crore in 2019-20, showing a contraction of 7.2%. The sectors which showed positive growth include Agriculture, Forestry & Fishing by 3.4% and Electricity, Gas, Water Supply & Other Utility Services by 2.7% during 2020-21 over 2019-20. Other sectors showed negative growth during the period. Sector-wise details are given in **Table 5**.

Table 5: First Advance Estimates of GVA at Basic Prices by Economic Activities 2018-19 to 2020-21 (at 2011-12 Prices)

Sector	GVA at basic price (Rs. crore)			Percentage change over previous year	
	2018-19	2019-20 (PE)	2020-21 (1st AE)	2019-20	2020-21
1. Agriculture, Forestry & Fishing	1,872,339	1,948,110	2,013,927	4.0	3.4
2. Mining & Quarrying	345,069	355,680	311,621	3.1	-12.4
3. Manufacturing	2,316,643	2,317,280	2,098,912	0.03	-9.4
4. Electricity, Gas, Water Supply & other Utility Services	296,560	308,832	317,125	4.1	2.7
5. Construction	1,020,314	1,033,276	903,243	1.3	-12.6
6. Trade, Hotels, Transport, Communication and Services related to Broadcasting	2,488,049	2,577,945	2,026,128	3.6	-21.4
7. Financial, Real Estate & Professional Services	2,786,855	2,915,680	2,891,911	4.6	-0.8
8. Public Administration, Defence and other Services	1,677,298	1,844,316	1,776,408	10.0	-3.7
GVA at Basic Prices	**12,803,128**	**13,301,120**	**12,339,175**	**3.9**	**-7.2**
Net Taxes on Products	*1,178,298*	*1,264,831*	*1,100,487*	*7.3*	*-13.0*
GDP	**13,981,426**	**14,565,951**	**13,439,662**	**4.2**	**-7.7**

PE = Provisional estimates. AE = Advance estimates.

Source: Press Note on *First Advance Estimates of National Income 2020-21*, National Statistical Office, Ministry of Statistics & Programme Implementation, Government of India.

9.0 Policy Developments

9.1 Support for Agriculture under AtmaNirbhar Bharat Package 3.0

Union Finance Minister Nirmala Sitharaman announced 12 economic stimulus measures, the third tranche of AtmaNirbhar Bharat Package on 12th November, 2020.

Among 12 economic measures, Union Finance Minister announced support to Agriculture of Rs. 65,000 crore for subsidised fertilizers in view of estimated increase in fertilizer usage during the current year on account of favourable monsoons and increase in sown area. Increased supply of fertilizer at subsidised rates will help 140 million farmers. Rs. 65,000 crore being provided to ensure adequate and timely availability of fertilizers to farmers in the ensuing crop season.

9.2 Notification of Final Import Parity Price (IPP) for the 1st, 2nd, 3rd and 4th quarters of 2019-20 and Annual IPP for 2019-20 under New Urea Policy – 2015

Department of Fertilizers (DoF), Ministry of Chemicals & Fertilizers issued an OM on the 16th December, 2020 regarding the final Import Parity Price (IPP) for four quarters of 2019-20 and Annual IPP for 2019-20 under New Urea Policy – 2015. Final IPP of urea calculated on the basis of weighted average CFR (Cost, Insurance and Freight) price during each quarter and Annual IPP for 2019-20 at Indian Ports imported on Government account by designated urea importing agencies (excluding OMIFCO) and incidental expenditure incurred during the said period are given in ***Annex III***.

IPP of urea for April/ June quarter of 2019 has been fixed at Rs.19008.12 per MT and incidental expenditure Rs.1160.07 per MT. IPP for July/September quarter of 2019 has been fixed at Rs.20913.90 per MT and incidental expenditure Rs.1201.73 per MT. Similarly, IPP for October/December quarter of 2019 has been fixed at Rs.18849.68 per MT and incidental expenditure Rs.1189.48 per MT. IPP for January/March quarter of 2020 has been fixed at Rs.18225.54 per MT and incidental expenditure Rs.1151.43 per MT. IPP for the full year 2019-20 has been fixed at Rs. 19297.66 per MT and incidental expenditure Rs.1182.64 per MT.

Annex I

State-wise Procurement of Rice for KMS 2020-21 (Fig. in LMTs)		
S. No.	States/ UTs	Procurement
1	A.P.	16.03
2	Telangana	31.14
3	Assam	0.04
4	Bihar	9.07
5	Chandigarh	0.19
6	Chhattisgarh	39.76
7	Gujarat	0.57
8	Haryana	37.60
9	H.P.	-
10	Jharkhand	0.65
11	J&K	0.25
12	Karnataka	0.05
13	Kerala	1.20
14	M.P.	24.62
15	Maharashtra	3.04
16	Odisha	23.32
17	Punjab	135.86
18	NEF (Tripura)	-
19	Tamilnadu	4.27
20	U.P.	40.69
21	Uttarakhand	6.75
22	West Bengal	4.37
Total		**379.47**
Fig. as on 18.01.2021		

Annex II

State-wise Procurement of Wheat for RMS 2020-21

(Fig. in LMTs)

S. No	States/ UTs	Procurement
1	Punjab	127.14
2	Haryana	74.00
3	U.P.	35.77
4	M.P.	129.42
5	Bihar	0.05
6	Rajasthan	22.25
7	Uttarakhand	0.38
8	Chandigarh	0.11
9	Gujarat	0.77
10	H.P.	0.03
Total		**389.92**

Annex III

No.12012/31/2015-FPP (pt.)
Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers

Shastri Bhawan, New Delhi,
Dated the 16th December, 2020

OFFICE MEMORANDUM

Subject: Notification of Final Import Parity Price (IPP) for the 1st, 2nd, 3rd and 4th quarters of 2019-20 and Annual IPP for 2019-20 under New Urea Policy – 2015.

In pursuance of Department of Fertilizers' Notification No. 12012/1/2015-FPP dated 25th May, 2015 (read with clarification dated 8th June, 2015) and its subsequent amendment dated 7th April, 2017 regarding New Urea Policy, 2015 for existing gas based urea manufacturing units, the **Final Import Parity Price (IPP)** of urea calculated on the basis of weighted average CFR (Cost, Insurance and Freight) price during the period from 1st April, 2019 to 30th June, 2019, 1st July, 2019 to 30th September, 2019, 1st October, 2019 to 31st December, 2019 and 1st January, 2020 to 31st March, 2020 and Annual IPP for 2019-2020 at Indian Ports on Government account by designated urea importing agencies (excluding OMIFCO) from international market and incidental expenditure incurred during the said period on imported urea is as under :

2019-20	IPP (Rs./MT)	Incidental Expenditure (Rs./MT)
01.04.2019 to 30.06.2019	19,008.12/-	1,160.07/-
01.07.2019 to 30.09.2019	20,913.90/-	1,201.73/-
01.10.2019 to 31.12.2019	18,849.68/-	1,189.48/-
01.01.2020 to 31.03.2020	18,225.54/-	1,151.43/-
Annual 2019-20 (weighted average)	19,297.66/-	1,182.641/-

2. This issues with the concurrence of AS & FA vide Diary No. 720 Dated 08.12.2020.

Sachin Kumar.
(Sachin Kumar)
Under Secretary to the Government of India
Tel. 23387197

To

The Executive Director (FICC),
The Fertilizer Industry Coordination Committee,
Sewa Bhawan, R.K.Puram, New Delhi.

P.T.O

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Copy to:

1. Director(FS)
2. Director (Mov), DoF
3. Deputy Secretary (Finance & Budget), DoF
4. NIC for uploading on website

Sachin Kumar.

(Sachin Kumar)
Under Secretary to the Government of India
Tel. 23387197