

ANNUAL REVIEW OF FERTILIZER PRODUCTION AND CONSUMPTION 2022-23 HIGHLIGHTS

Increase in production

- **Fertilizer nutrients:** Production in 2022-23: N: 15.74 million MT (+13.5%), P₂O₅: 5.01 million MT (+6.3%), N+P₂O₅: 20.75 million MT (+11.6%).
- **Fertilizer products:** Production during 2022-23: Urea: 28.50 million MT (+13.6%); DAP: 4.35 million MT (+3.0%); SSP: 5.65 million MT (+5.5%); NP/NPKs: 9.29 million MT (+11.9%), Total products: 48.69 million MT (+11.3%).

Mixed growth in imports

- **Imports of fertilizer products in 2022-23:** Urea: 7.58 million MT (-17.0%); DAP: 6.58 million MT (+20.5%); NP/NPKs: 2.75 million MT (+135.2%); MOP: 1.87 million MT (-24.1%), Total products: 19.27 million MT (+4.7%).

Retail prices of fertilizers

- Basic retail price (MRP) of urea remained unchanged at Rs.5360/- per tonne. Size of bag rationalized from 50 kg to 45 kg. Price per bag of urea of 45 kg fixed at Rs. 242/- w.e.f. 1st March 2018. 5% extra for coating of urea with *neem* oil and 5% GST is also additional.
- MRP of P & K fertilizers is market driven under NBS policy.

Mixed growth in fertilizer consumption

- **Consumption of nutrients in 2022-23:** N: 20.21 million MT (+4.0%); P₂O₅: 7.92 million MT (+1.2%); K₂O: 1.72 million MT (-32.2%); Total (N+P₂O₅+K₂O): 29.84 million MT (+0.2%).
- **Consumption of fertilizer products in 2022-23:** Urea: 35.73 million MT (+4.5%); DAP: 10.53 million MT (+13.6%); MOP: 1.63 million MT (-33.6%); NP/NPK complex fertilizers: 10.07 million MT (-12.2%); SSP: 5.02 million MT (-11.7%); Total products: 63.92 million MT (-0.03%).

NPK use ratio widened

- All-India NPK use ratio widened from 7.7:3.1:1 during 2021-22 to 11.8:4.6:1 during 2022-23.

Per hectare use marginally up

- Per hectare use of total fertilizer nutrients (N+P₂O₅+K₂O) marginally up from 141 kg in 2021-22 to 141.2 kg in 2022-23.

92% consumption in 13 states

- Uttar Pradesh had the largest share (17.6%), followed by Maharashtra (9.5%), Madhya Pradesh (9.4%), Karnataka (6.9%), Punjab (6.3%), Rajasthan and Gujarat (6.1% each), Andhra Pradesh (5.9%), Telangana (5.7%), Bihar (5.5%), West Bengal (5.4%), Haryana (4.5%) and Tamil Nadu (3.5%).

Normal monsoon at the country level

- Rainfall was 106% of the LPA during Southwest monsoon 2022.
- Out of 36 meteorological sub-divisions, 30 received excess/normal rainfall and remaining 6 sub-divisions received deficient rainfall.

Production of major crops up

- **Production of major crops in 2022-23:** Food grains: 330.5 million MT (+4.7%); oilseeds 41.0 million MT (+8.0%), sugarcane 494.2 million MT (+12.5%); cotton 34.3 million bales (+10.4%) and jute & mesta 9.5 million bales -6.5%).

Fertilizer Policies

◆ Payment situation

- Budget allocation for 2022-23 was increased significantly to Rs. 2,25,222 crores from the level of original BE of Rs. 1,05,222 crores. This facilitated timely payment of DBT subsidy.

◆ Urea

- Policy for minimum fixed cost and updation of fixed cost for urea units remained under consideration of the Government.
- Deliberations with DoF on updation of fixed cost for urea units are continuing.

◆ P & K fertilizers

- GoI increased NBS rates on P&K fertilizers for the period April to September 2022 to insulate farmers from abnormal increase in international prices of fertilizers and raw materials. However, keeping in view the downward trends in the international prices of fertilizers and raw materials, GoI reduced NBS rates for October 2022 to March 2023. ■