

Achievements of Department of Fertilizers since 2014

Fertilizer Subsidy

- Fertilizer subsidies: Urea and Nutrient bases subsidies up by almost 8 percent to Rs 70000 crore.

Direct Benefit Transfer in Fertilizer Subsidy

- The Department of fertilizers has implemented Direct Benefit Transfer System on a pilot basis w.e.f. 1.10.2016. Under this system, 100% subsidy on various fertilizer grades is released to the fertilizer companies on the basis of actual sales made by the retailers to the beneficiaries.
- Sale of all subsidised fertilizers is made through Point of Sale (PoS) devices installed at each retailer shop; beneficiaries are identified through Aadhaar Card, KCC, Voter Identity Card etc.
- The Pilot project has been implemented in 19 districts.
- Different states/U.T.s have been put on Go-Live mode w.e.f. 01.09.2017 and the Pan India rollout of DBT has been completed by March 2018.
- Approximately **2.05 lakh retailers sensitized** during introductory training sessions.
- The schedule for phase-wise roll out of DBT is tabulated below:

S. No	Name of States / UT's	GO Live Timeline
1	NCT of Delhi live on DBT in fertilizers	1 st September, 2017
2	Mizoram, Daman & Diu, Dadra Nagar Haveli, Manipur, Nagaland, Goa, Puducherry,	1 st October, 2017
3	Rajasthan, Uttarakhand, Maharashtra, Andaman & Nicobar Islands, Assam, Tripura.	1 st November, 2017
4	AP, Haryana, Punjab, Chhattisgarh and MP	1 st December, 2017
5	Kerala, Bihar, Karnataka, Jharkhand, Telangana, and TN	1 st January, 2018
6	UP, Gujarat, WB, Odisha and Himachal Pradesh	1 st February, 2018
7	J&K	1 st March, 2018

Neem Coated Urea

- Government makes Neem coating of Urea mandatory-25.5.2015.
- 100 % of Neem Coating of Indigenous Urea and Imported Urea achieved w.e.f. 1st September, 2015 and 1st December, 2015 respectively
- Improvement in soil health.
- Reduction in usage of plant protection chemicals.
- Reduction in pest and disease attack.
- Diversion of highly subsidized urea towards non-agricultural purposes reduced to negligible.
- An increase in yield of paddy, sugarcane, maize, soybean, Tur/Red Gram
- During the last three years i.e. **2014-15, 2015-16 and 2016-17, the consumption (Kg/hectare) showing a declining trend** - 152.53, 149.61 and 140.84 (estimated) respectively. This may be due to neem coating of Urea which **increases efficacy due to slow release of Nitrogen.**

New Urea policy (NUP) 2015

- **The NUP Policy was notified on 25th May, 2015 and became effective from 1st June, 2015 with the following objectives:-**
 - I. To maximize -Indigenous Urea production
 - II. To promoting - Energy efficiency in Urea production
 - III. To rationalize - Subsidy burden of Govt. of India,
 - IV. To help - Domestic urea sector to become **globally competitive**

Benefits of NUP 2015:-

Record Production of Urea

- Highest ever production of 245 LMT of indigenous Urea during 2015-16, almost maintained in 2016-17.
- **Highest ever additional production of 20 LMT of Urea** during 2015-16 without adding additional urea production capacity.
- The production of urea during the year 2016-17 was 242.01 LMT, which is significantly higher than the production of urea during 2012-13 (225.75LMT) and 2013-14(227.15 LMT)

Special Banking Arrangement to clear fertilizer subsidy dues

- In order to ensure working capital availability to fertilizer companies, Department of Fertilizers had made provision of Special Banking Arrangements for upto ₹ 7000 crores during 2017-18 through nationalised banks, wherein majority of the interest burden had been borne by the Government.

Introduction of 45 Kg. Urea Bags replacing the existing 50 Kg. Bags: Vide Notification dated 4.9.2017

- CCEA, in its meeting dated 20th February, 2018, approved the **MRP of urea as Rs.242 per bag**

Reduction in the rates of P&K Fertilizers

- Reduction in the **MRP of DAP, MOP and Complex fertilizers by Rs. 125/, Rs.250/- and Rs. 50/-** respectively per 50 kg bag from June 2016.
- The prices of **DAP again reduced by Rs. 65/- per 50 kg during December, 2016.**

New Investment Policy- 2012

The Government announced New Investment Policy (NIP)-2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector.

- Matix Fertilizers & Chemicals Limited set up a Coal Bed Methane(CBM) based **1.3 MMTPA Greenfield Ammonia-Urea complex** at Panagarh, West Bengal. Commercial **production started on 1st October, 2017.**
- Chambal Fertilizers & Chemicals Limited to set up a **brownfield project with capacity of 1.34 MMTPA at Gadepan, Rajasthan**, which is likely to start commercial production in **January, 2019.**

Revival of defunct Fertilizer Units

- **Rs. 40,000 crores to be invested to revive Defunct Fertilizer Units** in Gorakhpur, Sindri, Talcher, Ramagundam and Barauni (New Urea units of **12.7 lakh MT** at each location)
- **RAMAGUNDAM PROJECT** is likely to be commissioned by December 2018. **SINDRI & GORAKHPUR UNITS OF FCIL AND BARAUNI UNIT OF HFCL are likely to be operational by October 2020.** **TALCHER PROJECT** likely to start production by 2021.
- New Ammonia-urea complex to be set up at M/s **Brahmaputra Valley Fertilizer Corporation Limited at Namrup with a capacity of 8.646 LMT per annum.**
- Production of about 25 million MT is expected to increase to 28 million MT in the year 2019-20 and to about 34 million MT in the year 2021-22.

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Model Fertilizer Retail Shops across the country

- 2000 Model Fertilizer Retail Shops to be opened in next 3 years from 2016-19 for abundant availability of Urea
- **2044** model fertilizer retail shops made operational **till 19th March 2018.**

City Compost Scheme

- Policy for Promotion of City Compost was notified on 10.02.2016 which provides Market Development Assistance (MDA) of Rs. 1500/MT on sales of City Compost.
- Due to consistent efforts of the Department, the sales of City Compost during 2017-18 has increased to 1.64 LMT and an amount of Rs. 7.26 Crores of Market Development Assistance (MDA) has been released.
