

# Urea imports fall but sales rise 2%

**FERTILISER SUBSIDY.** Drop is despite average import price declining to \$593/tonne in August from \$722 in May

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While close to 60 per cent of the Budget allocation for fertiliser subsidy has been utilised, the import of urea during the April-August period of the current fiscal has declined by 14 per cent, even as sales have gone up by 2 per cent.

According to latest data, the fertiliser subsidy during the first five months of the current fiscal touched ₹61,449 crore (urea-₹47,790, P&K-₹13,659 crore) whereas the Budget allocation was ₹1.05 lakh crore, including ₹63,222 crore allocated for urea.

The government has so far been expecting the fertiliser subsidy to exceed ₹2 lakh crore in FY23 due to an increase in global prices. But

imports have now dropped and global prices of urea and Di-ammonium Phosphate (DAP) have softened in August from the peak (during current fiscal).

## DAP, MOP PRICES

The average import price of urea in August was \$593/tonne, down from \$722/tonne in May and that of DAP was \$891/tonne in August against \$936/tonne in May and \$945/tonne in July. However, Muriate of Potash (MOP) has been constant at \$ 590/tonne since March 2022.

Urea sales were pegged at 144.52 lakh tonnes (lt) in the April-August period, up 1.8 per cent from the year-ago period, while that of DAP at 40.33 lt, up by 12.7 per cent. However, sales of MOP, used mainly in horticulture and plantation crops, were down by 54.8 per cent at 5.4 lt and



## Fertiliser sales and import

during April-August (lakh tonnes)

Sales	2022	2021	% change
Urea	144.52	141.96	2
DAP	40.33	35.78	13
MOP	5.40	11.94	-55
Complex	40.12	51.73	-22
<b>Total</b>	<b>230.37</b>	<b>241.41</b>	<b>-5</b>
<b>Import</b>			
Urea	25.11	29.02	-14
DAP	24.70	21.23	16
MOP	7.12	6.37	12
Complex	13.78	5.47	152
<b>Total</b>	<b>70.71</b>	<b>62.09</b>	<b>14</b>

fiscal from 29.02 lt a year ago.

## OTHER IMPORTS UP

Import of all other fertilisers increased - DAP by 16.3 per cent to 24.7 lt, MOP by 11.8 per cent to 7.12 lt and com-

plex by 152 per cent at 13.78 lt. those of complex (combination of nitrogen-N, phosphorus-P and potash-K) dipped 22.4 per cent at 40.12 lt.

On the other hand, import of urea declined to 25.11 lt till August in the current

plex by 152 per cent at 13.78 lt.

“MOP’s retail price is highest among all fertilisers at about ₹1,700 per 50 kg bag against DAP’s ₹1,350 and urea is the cheapest at less than ₹300/bag.

Farmers have cut the use of MOP whereas the increase in import is 75,000 tonnes higher from the year-ago period which could be due to logistics issues since sometimes importers get delivery in advance,” said the industry official.

While the cumulative production of urea until August in 2022-23 was 116.2 lt against about 100 lakh tonnes a year ago, there is additional nano-urea getting sold this time. Between April 1 and August 10 of this year, IFFCO is reported to have released 1.23 crore bottles (of 500 ml each) into the market.