



**STANDING COMMITTEE ON CHEMICALS & FERTILIZERS
(2021-22)**

(SEVENTEENTH LOK SABHA)

**MINISTRY OF CHEMICALS AND FERTILIZERS
(DEPARTMENT OF FERTILIZERS)**

**Action Taken by the Government on the
Observations/Recommendations of the Committee contained in
their Thirty-Second Report (Seventeenth Lok Sabha) on 'Demands
for Grants (2022-2023)' of the Ministry of Chemicals and
Fertilizers (Department of Fertilizers)**

THIRTY-SIXTH REPORT



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

August, 2022/ Sravana, 1944 (Saka)

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(DEPARTMENT OF FERTILIZERS)**

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Observations/Recommendations of the Committee contained in their
Thirty-Second Report (Seventeenth Lok Sabha) on 'Demands for
Grants (2022-2023)' of the Ministry of Chemicals and Fertilizers
(Department of Fertilizers)**

Presented to Lok Sabha on 08 August, 2022

Laid in Rajya Sabha on 08 August, 2022



LOK SABHA SECRETARIAT

NEW DELHI

August, 2022/ Sravana, 1944 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON CHEMICALS & FERTILIZERS
(2021-22)**

Smt. Kanimozhi Karunanidhi - Chairperson

**MEMBERS
LOK SABHA**

2. Shri Dibyendu Adhikari
3. Maulana Badruddin Ajmal
4. Shri Deepak Baij
5. Shri Ramakant Bhargava
6. Shri Prataprao Patil Chikhlikar
7. Shri Rajeshbhai Naranbhai Chudasama
8. Shri Sanjay Shamrao Dhotre
9. Shri Ramesh Chandappa Jigajinagi
10. Shri Kripanath Mallah
11. Shri Vasava Parbhubhai Nagarbhai
12. Shri Satyadev Pachauri
13. Smt Aparupa Poddar (Afrin Ali)
14. Dr. M.K.Vishnu Prasad
15. Shri Arun Kumar Sagar
16. Shri M. Selvaraj
17. Dr. Sanjeev Kumar Singari
18. Shri Atul Kumar Singh
19. Shri Pradeep Kumar Singh
20. Shri Uday Pratap Singh
21. Shri Indra Hang Subba

RAJYA SABHA

22. Shri Ayodhya Rami Reddy Alla
23. Shri G.C.Chandrashekhar
24. Dr. Anil Jain
25. Shri Anthiyur P. Selvarasu
26. Shri Arun Singh
27. Shri Vijay Pal Singh Tomar
28. Shri K. Vanlalvena
29. Vacant*
30. Vacant*
31. Vacant

SECRETARIAT

- | | | | |
|----|------------------------|---|------------------|
| 1. | Shri Vinay Kumar Mohan | : | Joint Secretary |
| 2. | Shri Nabin Kumar Jha | : | Director |
| 3. | Shri Kulvinder Singh | : | Deputy Secretary |
| 4. | Shri Panna Lal | : | Under Secretary |

* Vacant *vice* Shri M.V. Shreyams Kumar (LJD), MP (RS) retired on 02.04.2022 from the Membership of Rajya Sabha. (RSS I.D. No. 1(2)/2019- Coord dated 18.01.2022).

* Vacant *vice* Shri Jaiprakash Nishad (BJP), MP (RS) retired on 04.07.2022 from the Membership of Rajya Sabha. (RSS I.D. No. 1(2)/2019- Coord dated 18.01.2022).

INTRODUCTION

I, the Chairperson, Standing Committee on Chemicals & Fertilizers (2021-2022) having been authorized by the Committee, do present on their behalf this Thirty-Sixth Report on Action taken by the Government on the Observations/Recommendations of the Committee contained in Thirty-Second Report (Seventeenth Lok Sabha) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Chemicals and Fertilizers (Department of Fertilizers).

2. The Thirty-Second Report was presented to Lok Sabha and also laid in Rajya Sabha on 21st March, 2022. The Ministry of Chemicals and Fertilizers (Department of Fertilizers) furnished their replies on 12th July, 2022 indicating Action Taken on the Observations/Recommendations contained in the Thirty-Second Report. The Committee considered and adopted the Draft Report at their sitting held on 4th August, 2022.

3. An analysis of the Action Taken by the Government on the Observations/Recommendations contained in the Thirty-Second Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix-II**.

4. For ease of reference, Observations/Recommendations of the Committee have been printed in bold letters in the Report.

New Delhi;
08 August, 2022
13 Sravana, 1944 (Saka)

KANIMOZHI KARUNANIDHI
CHAIRPERSON,
STANDING COMMITTEE ON
CHEMICALS & FERTILIZERS.

CHAPTER I

This Report deals with the action taken by the Government on the Observations/ Recommendations of the Committee contains in their Thirty-Second Report (17th Lok Sabha) on 'Demands for Grants 2022-23' of the Ministry of Chemicals and Fertilizers (Department of Fertilizers).

1.2 The Thirty-Second Report was presented to Lok Sabha and laid in Rajya Sabha on 21 March 2022. It contained 12 Observations/Recommendations. Replies of Government in respect of all the Recommendations have been received and are categorized as follows:-

(i) Observations/Recommendations which have been accepted by the Government:-

Rec. Nos. 4, 6, 7, 8, 9, 10, 11 and 12	(Total = 08)
Included in Chapter-II of the Report	Percentage: 67%

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's reply:-

Nil	(Total = 0)
Included in Chapter-III of the Report	Percentage: 00.00%

(iii) Observations/Recommendations in respect of which the replies of the Government have not been accepted by the Committee and require reiteration:-

Rec. No. 1, 2, 3 and 5	(Total = 04)
	Percentage: 33%

Included in Chapter-IV of the Report

(iv) Observations/Recommendations in respect of which final replies of the Government are still awaited :-

Nil	(Total =0)
	Percentage: 00.00%

Included in Chapter-V of the Report

1.3 The Committee desire that the Action Taken Notes on the observations/ comments/ recommendations contained in Chapter-I of this Report may be

furnished expeditiously and not later than three months from the date of presentation of the Report.

1.4 The Committee will now deal with some of their earlier Observations/ Recommendations which either require reiteration or merit further comments.

Recommendation No. 1

Inadequate Budgetary Allocation in Budget Estimates for 2022-23.

1.5 With regard to the Inadequate Budgetary Allocation in Budget Estimates for 2022-23, the Committee had recommended as follows:-

“The Committee note that a budgetary allocation of Rs.109242.23 Crore has been made in respect of Demand No.6 pertaining to Department of Fertilizers for the year 2022-23. This allocation has been made against the projected demand of Rs.176760.59/- Crore of the Department to meet the requirements for its various schemes and policies. In this regard, the Committee are dismayed to note that the cut in BE allocation is by Rs.67518.36/- Crore which amounts to 38 % of the projected requirements of the Department. According to the Department of Fertilizers, allocated amount is not sufficient to meet the projected requirement of subsidy funds for the year 2022-23 and the requirement for additional funds will be re-assessed and demanded at the time of RE/Supplementary for 2022-23 depending on the prices of raw materials and fertilizers. However, the expenditure before RE stage is done on the basis of BE allocation only. RE is mostly finalized by December every year and the same is regularized through 2nd batch of supplementary demands for grants. Hence, the funds approved at RE stage mostly reaches the Department during the last quarter of the financial year only. During 2021-22, an allocation of Rs.84041.39 Crore was made at BE stage which was increased to Rs.149663.28 Crore at RE stage which was about 78% increase over the BE. As a result of such late infusion of funds, the Department of Fertilizers was able to spend only Rs.117675.14 Crore as on 31 January, 2022. In view of the above, the Committee feel that the gap between the projected requirement for 2022-23 and the budgetary allocation may eventually result in delayed payment/ settlement of claims in respect of both Urea and P&K fertilizers subsidies and will thereby adversely affect the financial performance of the fertilizer sector as a whole. Taking this situation into consideration, the Committee recommended earlier also that Ministry of Finance be convinced at the highest level to declare the Department of Fertilizers as a “Priority Department” so that the fund requirements of the Department may be met without any cut. Drastic reduction of funds at BE stage will upset the expenditure planning for the whole year and the substantial allocation of fund at RE stage for subsidy payment reflects the poor planning by both the Ministry of Finance and the Department of Fertilizers. The Committee, therefore, recommend that Department of Fertilizers should strengthen its budgetary planning process and come

out with accurate demand for funds so as to convince the Ministry of Finance to allocate funds as per its requirements at BE stage itself without any cuts for its subsidy schemes. Considering the importance of providing fertilizers to the farmers at subsidized rates, the Ministry of Finance should accord priority status to this Department and strive to allocate the funds required by the Department at BE stage itself which will facilitate timely and optimum utilization of funds by the Department and will eventually give boost to the agriculture sector in the country. The sentiments expressed by this Committee may also be conveyed to the Ministry of Finance for its compliance. The Committee would like to be apprised of the progress made in this regard.”

REPLY OF THE GOVERNMENT

1.6 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as follows:-

"Department of Fertilizers sends the budget proposal based on the projections made for the coming year depending on the requirement of fertilizers and prices of raw material and fertilizers prevailing. The same is conveyed to M/o Finance with proper justification. If and when, the need for more funds arises, the same are sought at different stages during a Financial Year viz. 1st, 2nd and 3rd Supplementary and RE Stage, based on the fund position/utilization. Department ensures that there is no shortage of funds and at every stage, requirements are assessed and funds demanded from Ministry of Finance. In the past, Ministry of Finance has provided funds at all stages as per our requirement.

Recommendations of Standing Committee have been conveyed to M/o Finance."

1.7 The Committee noted that the Department has been allocated an amount of Rs. 1,09242.23 Crore against the demand of Rs. 1,76,760.59 Crore for the financial year 2022-23, which is 38% less than the BE. According to the Department, the allocated funds are not sufficient to meet the projected requirement of subsidy funds for the year 2022-23 and the requirement for additional funds will be re-assessed and demanded at the time of RE/Supplementary for 2022-23 which is finalized by the end of the year in the month of December. The Committee, in its report, further noted that the Department was allocated an amount of Rs. 84041.39 Crore at BE stage for 2021-22 which was increased to Rs. 1,49,663.28

Cre at RE stage, that is, about 78% increase over the BE. However, due to late release of funds, the Department could spend only Rs. 1,17,675.14 Cre up to 31 Jan 2022. The Committee also observed that funds approved at RE stage mostly reaches the Department during the last quarter of financial year only. Taking into consideration the above facts and noting that there is a huge gap between the BE and RE of the Department for the year 2022-23 and 2021-22, the Committee had recommended the Department to strengthen its budgetary planning process and come out with accurate demand for funds. However, the Committee regret to note that steps taken to strengthen budgetary planning process have not been furnished. The Committee, therefore, reiterate their earlier recommendation that urgent steps need to be initiated to strengthen the budgetary planning process and Committee be apprised accordingly. The Department has submitted that in the past, the Ministry of Finance has provided funds at all stages as per their requirement. Now, therefore, it becomes imperative on the part of the Department to project realistic BE.

Recommendation No. 2

Timely placement of proposals for allocation at RE 2022-23

1.8 With regard to the timely placement of proposals for allocation at RE 2022-23, the Committee had recommended as follows:-

“The Committee are concerned to note that the Department has been allocated Rs. 42000 Cre in BE 2022-23 against the budgetary proposal of Rs. 72702 Cre for Nutrient Based subsidy (NBS) scheme. In respect of urea subsidy, the Department has been allocated Rs. 67202.42 Cre in BE 2022-23 against its requirement of Rs. 104016.64 Cre for the year. Further, the BE allocation for 2022-23 in respect of urea subsidy is 21% lower than the Revised Estimates of 2021-22 and there is a 35 percent decrease in NBS subsidy this time when compared to RE of 2021-22. In regard to the reasons for reduction of budgetary allocation at BE stage of 2022-23 and its adequacy in meeting fund requirements of urea and NBS subsidy schemes,

the Department of Fertilizers has stated that the Ministry of Finance allocated the funds as per the priorities of the Government and financial space available. Actual requirement of funds will depend on the prevailing prices of some fertilizers and raw materials in the market. However, if the need arises, it will request the Ministry of Finance to allocate additional funds at RE 2022-23 stage and in the Supplementary Demands for Grants during 2022-23. Keeping in view the trend of the previous years, the Committee are of the view that the budgetary allocation at BE stage of 2022-23 may not be adequate to meet the entire fund requirements under Urea and NBS subsidy Schemes. The Committee, therefore, recommend that the Department of Fertilizers should calculate the fund requirement for the whole year and place its proposal timely before the Ministry of Finance for making additional allocations in RE 2022-23 so as to meet its projected requirements under Urea and NBS subsidy Schemes both for indigenous and imported fertilizers during the year. The Committee would like to be apprised of the measures taken in this regard."

REPLY OF THE GOVERNMENT

1.9 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"The recommendation suggested by the committee is duly considered. The Programme divisions are regularly monitoring the expenditure and available funds under Urea and NBS schemes. The additional requirement of funds, if any, will be sought well in time at the RE – 2022-23 stage."

1.10 The Committee had recommended that the Department should calculate the fund requirements for the whole year and place its proposal timely before the Ministry of Finance for making additional allocations at RE 2022-23 so as to meet its projected requirements under urea and NBS subsidy schemes both for indigenous and imported fertilizers during the year. The Committee had desired to be apprised of the measures taken in this regard. The Department in their reply has submitted that the recommendations suggested by the Committee is duly considered but the steps taken, if any, by the Department have not been furnished. The Committee therefore desire to know what steps have been initiated by the Ministry in this regard.

Recommendation No. 3

Need to dismantle Carry-over liabilities.

1.11 With regard to the need to dismantle Carry-over liabilities, the Committee had recommended as follows:-

Expressing its concern to the accumulation of huge amounts of carry over liabilities i.r.o. both indigenous and imported urea and P&K fertilizers over the years which reflected its lack of proper budgetary planning, the Committee recommended as under:-

“The Committee are concerned to note that the estimated carry-over liabilities (COL) for payment of subsidy during 2021-22 in respect of indigenous and imported urea will be Rs. 6000 Crore and Rs. 12300 Crore, respectively and in respect of indigenous and imported P&K fertilizers the same will be Rs.1300 Crore and Rs. 2073 Crore, respectively. A total of Rs.21673 Crore is likely to be accumulated as COL in respect of indigenous and imported Urea and P&K fertilizers by the end of 2021-22. In this regard, Department of Fertilizer has stated that it has requested for grant of Rs. 6000 Crore under 3rd supplementary grant to meet Indigenous Urea funds requirement in Quarter-IV of 2021-22 and if the supplementary is not granted, anticipated carry-over liability of Rs. 6000 Crore would be settled in FY2022-23. The Department has also requested the Ministry of Finance to provide additional funds under 3rd Supplementary grant to clear COL in respect of imported urea. However, COL in respect of Indigenous P&K and Imported P&K are likely to be completely cleared from the available budget (RE 2021-22) by the end of March 2022. The Committee deplore the tendency of the Department of Fertilizers to accumulate carry over liabilities year-after-year. This tendency clearly shows the lack of proper planning in its budgetary process. In this regard, the Committee recommend that a concrete mechanism should be developed by the Department of Fertilizers to accurately estimate the RE stage fund requirements for the payment of subsidies in respect of both indigenous and imported fertilizers taking into account various factors including international price situation and place an accurate demand with the Ministry of Finance for fund allocation at RE stage so that the Department may timely utilize the entire RE allocation for the payment of subsidies without any COL by the end of a financial year. A copy of this recommendation may also be sent to Ministry of Finance for its compliance while deciding RE allocations for the Department of Fertilizers.”

REPLY OF THE GOVERNMENT

1.12 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) have stated as under:-

"The settlement of subsidy / DBT claims of fertilizer companies are being done regularly subject to availability of funds. The actual Carry-over liabilities for 2021-22 are Rs.1529.37 crores against the estimated Carryover liabilities of Rs.6000.00 crores in r/o

Indigenous Urea. The detailed information regarding utilization of funds allocated at RE 2021-22 and status of Carryover liability (2021-22) in r/o Indigenous Urea is as under:

Funds Status of 2021-22		Carryover liabilities status		
Final allocation	Expenditure	Carryover liability as on 01.04.2022	Carryover liability paid during 2022-23 as on date	Balance Carryover liabilities as on date
54619.72	54619.72	1529.37	1475.94	53.43

The carry-over liabilities (COL) in respect of Indigenous P&K, Imported P&K and Imported Urea for the FY 2021-22 (as on 01.04.2022) are as follows;

Sr. no.	Scheme	CoL as on 1.4.22	Remark
1	Indigenous P&K	237.66 Cr	Digital Freight bills of Rs. 237.66 Cr could not be passed due to technical glitch in New Freight Module of iFMS. These claims were generated digitally for the first time.
2	Imported P&K	2.57 Cr	Claims worth rs. 2.57 cr could not be processed because of incomplete documents.
3	Imported Urea	869.50 Cr	Funds allocated in FY 2021-22 fully utilized.
4	City Compost	0.00	-

1.13 The Committee note that for the year 2021-22, an amount of Rs. 54619.72 Crore was allocated for indigenous Urea and the whole amount has been utilized but still a whopping amount of Rs. 1529.37 Crore was pending as on 01 April, 2022. The Committee further note that during the year 2022-23 so far an amount of Rs. 1475.94 Crore have been paid for carryover liabilities but still a significant amount of Rs. 53.43 Crore remains to be paid. Carry over liabilities as on 01 April, 2022 in respect of indigenous P&K, imported P&K and imported Urea for the year 2021-22 is also not satisfactory. The carry over liabilities of indigenous P&K as on 01 April 2022 which was Rs. 237.66 Crore could not be paid due to

technical glitch in new Freight Module of integrated Fertilizer Management System (iFMS). Further, the carry over liabilities of Imported P&K which were 2.57 Crore could not be paid because of incomplete documents. The Committee had, therefore, recommended that a concrete mechanism should be developed by the Department of Fertilizers to estimate the RE stage fund requirements accurately for the payment of subsidies in respect of both indigenous and imported fertilizers. However, the Department has submitted nothing about it. The Committee, therefore, strongly reiterate their earlier recommendation and hope that the concrete mechanism may be brought into existence. Further, issues like technical glitch in New Freight Module of iFMS and incomplete documents may be resolved expeditiously and at no cost such issues should be allowed to act as a hindrance in the payment of carry over liabilities.

Recommendation No. 5

Promotion of Single Super Phosphate (SSP) and Potash Derived from Molasses.

1.14 With regard to the promotion of SSP and Potash Derived from Molasses, the Committee had recommended as follows:-

“The Committee is glad to learn that Single Super Phosphate (SSP) fertilizer is 100% manufactured indigenously in our country and that Potash derived from Molasses(PDM) has been included under NBS scheme to promote indigenous source of fertilizers. According to the Department of Fertilizers, the country has 111 manufacturing units of SSP and the total production of SSP during the rabi season of 2020-21 and 2021-22 was 23.66 LMT and 21.53 LMT, respectively. Farmers use two bags of SSP with 20 kilograms of urea to substitute one bag of DAP. It was also learnt that last year the Government of Rajasthan had issued order that the usage of SSP in place of DAP should be made the standard practice as SSP is very cost effective and is thus known as the poor man’s DAP. The Committee is also pleased to note that the Department of Fertilizers is planning to include SSP in the freight subsidy scheme to facilitate its availability in other States as well. However, the usage of SSP industry is limited to some States where it is mainly produced. The Committee therefore, strongly recommend that the Department may vigorously promote setting up of SSP and PDM manufacturing units throughout the country even through Public Private Partnership mode to increase their production capacity so that they are abundantly available in the country. This may also support balanced fertilization, save precious foreign exchange and decrease our import dependence in respect of NPK fertilizers in the long run. In view of the increase in the international prices of the NPK fertilizers, the Committee

hope that the Department of Fertilizers will accord top priority in promotion of SSP and PDM in the country and apprise the Committee about the action taken by it in the matter.”

REPLY OF THE GOVERNMENT

1.15 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"Proposal of DoF has been approved by the Cabinet on 28.4.22 to include SSP in the freight subsidy scheme and the fertilizer movement/ supply of DoF. This inclusion may facilitate the manufacturers of SSP to ensure availability of SSP throughout the country and make SSP available even to those states where it is not manufactured. DoF has been continuously promoting SSP and resultantly it has been noticed from the iFMS data that the sales of SSP has **increased by 56 %** and DAP has **decreased by 21%** during Rabi 2021-22 (from Oct. to Dec.). As per the analysis, the sale of DAP decreased with corresponding increase in sale of SSP in major states of India i.e. Assam, Bihar, Haryana, Punjab, Rajasthan, West Bengal etc.

Potash derived from Molasses (PDM) is an indigenous fertilizer containing 14.5% of potassic content. It has been included in the Nutrient Based Subsidy Regime vide Department of Fertilizer's Notification number 23011/1/2021-P&K dated 13.10.2021. Guidelines to register the PDM manufacturing companies under NBS regime have been finalized and shall be issued shortly."

1.16 The Committee note that the proposal to include SSP in the freight subsidy scheme has been approved by the Cabinet on 28th April, 2022 which may facilitate the manufacturers of SSP to ensure its availability throughout the country. The Committee further note that Potash derived from Molasses (PDM) has also been included in the Nutrient Based Subsidy Regime vide Notification dated 13.10.2021 of the Department. A perusal of iFMS data reveals that though the sales of SSP has increased by 56% and DAP has decreased by 21% during Rabi 2021-22. However, the reply of the Department is silent on setting up of SSP and PDM manufacturing units throughout the country as recommended by the Committee. The Committee, therefore, reiterates its recommendation and desire

that the Department should vigorously promote setting up of SSP and PDM manufacturing units in all States/ UT's, even through PPP mode.

Recommendation No.6

Need for continuance of Urea Subsidy scheme.

1.17 With regard to the need for continuance of Urea Subsidy scheme, the Committee had recommended as follows:-

“The Committee note that for sustained agricultural growth it is imperative that Urea is made available to farmers at affordable prices and therefore urea is being sold to farmers at statutorily notified uniform MRP. The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. The Department of Fertilizers has submitted the proposal for continuation of Urea Subsidy Scheme for 5-year period from 2021-22 to 2025-26 for the appraisal of Expenditure Finance Committee(EFC) on 2nd August, 2021. However, EFC recommended that Urea Subsidy Scheme as per the present proposal may be continued for one year till 31.03.2022. EFC also inter alia recommended that it may also be examined if urea can be brought under Nutrient Based Subsidy Scheme and it may be ensured that nitrogen subsidy under urea subsidy policy as well as under Nutrient Based Subsidy (NBS) policy should be at par. However, “Third Party Evaluation” conducted on Urea Subsidy has recommended that there is necessity for continuation of the urea subsidy scheme to help the urea industries, farmers and the agriculture sector as it has a great impact on agricultural sector in increasing crop yield and reducing the expenditure of farmers for cultivation. The Committee feel that Urea is a very sensitive fertilizer in the country as it is used by most of the farmers and it has lead to green revolution in the country. Moreover, the Maximum Retail Price of urea is statutorily fixed by the Government whereas the market price of P & K fertilizers covered under NBS Scheme are determined by market forces based on demand/supply balance. The Committee, therefore, recommend that the Department of Fertilizers should make wide consultations with all stake holders including the farmers on the feasibility of bringing urea under NBS Scheme, the extent to which it would affect the interests of farmers, its impact on agricultural production, etc. before arriving at a considered decision in this regard. Hence, the Ministry of Finance and EFC may be requested to extend the present urea subsidy scheme beyond 31 March, 2022 as recommended in the Third Party Evaluation Report. This recommendation may also be shared with the Ministry of Finance for its consideration. Progress made in the matter may be intimated to the Committee.”

REPLY OF THE GOVERNMENT

1.18 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

“The recommendation of the Committee has been forwarded to Ministry of Finance vide O.M. dated 27th April, 2022. Further, Department of Fertilizers is in the process of preparing a fresh EFC proposal for continuation of Urea Subsidy Scheme up to 31.03.2025.”

1.19 The Committee note that the recommendation of this Committee for extension of the present urea subsidy scheme beyond 31st March 2022 as recommended in the Third Party Evaluation Report has been forwarded to the Ministry of Finance in April, 2022 and the Department is in the process of preparing a fresh Expenditure Finance Committee (EFC) proposal for continuation of Urea Subsidy Scheme up to 31.03.2025. The Committee desire that the Department may take up the matter at the highest level with the Ministry of Finance for continuation of the present urea subsidy scheme beyond 31st March, 2022. The process of preparing a fresh EFC proposal for continuation of urea Subsidy scheme up to 31.03.2025 may also be expedited.

CHAPTER – II

OBSERVATIONS/ RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No.4

Need for diversification of sources of Imports of fertilizers, etc.

2.1 With regard to the need for diversification of sources of Imports of fertilizers, etc., the Committee had recommended as follows:-

The Committee note with concern that over the last two financial years the subsidy towards indigenously manufactured fertilizers has decreased and subsidy portion towards imported fertilizers has increased. According to the Department of Fertilizers, the Country is dependent on imports of Phosphatic fertilizers up-to 90% and for Potassic Fertilizers up-to 100% either in the form of finished fertilizers or their raw material due to non-availability/scarce availability of raw materials in our country. The Committee was also apprised that nearly 25-30 per cent Urea is imported every year. Since P&K fertilizers is decontrolled under the NBS scheme, all P&K fertilizers are covered under Open General License (OGL) regime and are imported by the companies on commercially viable terms. The Committee noted with concern that the international prices of fertilizers as well as raw materials are constantly increasing during the last 1 ½ years due to geo-political situations, etc. making the import of raw material as well as NPK fertilizers particularly DAP very costly to import. As such, it leads to a huge expenditure on subsidy for maintaining the same quantity of supply. The Committee also learnt that last year the price of Urea has gone up from \$300 per metric tonne in January, 2021 to around \$1,000 per metric tonne in December, 2021. The situation may continue the current year as well thereby compelling the Department to approach the Ministry of Finance for more funds at the time of Supplementary Demands. Since the international price situation may continuously increase the subsidy budget of the Government, the Committee recommend the following to address the situation:-

- i. In order to cushion the effects of fluctuations in international prices of fertilizers and raw materials, the Department should take proactive steps in coordination with the Ministry of External Affairs and others concerned with result oriented approach to diversify the import sources through signing of long term agreements by our PSUs and other companies for joint ventures abroad for obtaining regular supply of various fertilizers and its raw materials at reasonable prices.
- ii. Since P&K fertilizers are covered under Open General License (OGL) regime and are imported by the companies on commercially viable terms a mechanism may be drawn to constantly monitor the international prices and for maintaining

sufficient buffer stock of various fertilizers so as to off-set the effects of sudden price fluctuations in the international market.

- iii. Department of Fertilizers should expedite the discussions with Ministry of Mines, Geological Survey of India, Minerals Exploration Corporations Limited and Projects & Development India Limited on exploration of minerals for raw materials for DAP and other fertilizers in our country itself and start the exploration process at the earliest so as to reduce the dependence on other countries in case of availability of these minerals in our country itself.

Above recommendations of the Committee may be conveyed to the Ministry of Finance, Ministry of External Affairs, Ministry of Mines and others concerned for their compliance. The Committee would like to be apprised of the action taken in the matter.

REPLY OF THE GOVERNMENT

2.2 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) D/o Fertilizers has been taking various efforts in coordination with MEA to ensure regular and sufficient supply of raw materials/finished fertilizers to India at reasonable prices from various countries like Canada, Russia, Saudi Arabia, Morocco, Jordan etc

(ii) Department of Fertilizers (DoF) has developed an IT enabled system viz., Integrated Fertilizer Management System (iFMS), which captures end to end details of Fertilizer in terms of Production, Movement, availability, requirement, Sale, Subsidy Bill Generation to Subsidy payment to fertilizer companies. The iFMS system can be accessed at <http://mfms.nic.in/>. Concerned stakeholders like DoF, State Agriculture Departments, District Collectors, Fertilizer Companies are all provided with separate user passwords for operating and monitoring purposes. Few features of iFMS portal are as below:

- Real time, online tracking of fertilizer movement, along the plant/port-rake point-district-wholesaler-retailer chain.
- Real time Fertilizer availability data at State, district, wholesaler & retailer level.
- Real time tracking of sale of fertilizers at subsidized rates to farmers through PoS devices.
- A complete end to end transaction visibility of fertilizers starting from import/production till sales to farmers.

Also, a new initiative has been made by the Department of Fertilizers with introduction of Dashboard for various detailed reports related to DoF and States. Through this dashboard, Department of Fertilizers is ensuring the availability of stocks of all fertilizers at the Wholesalers and retailers. There is also Collector Dashboard, Company Dashboard and MarkFed Dashboard. Further, Department of Fertilizers as per its mandate, ensures comfortable level of availability in the pipeline so as to keep a cushion for such scenarios that can impact the global supply chain. Fertilizers are made

available well in advance of actual consumption by way of giving allocation more than the requirement for prepositioning of stocks at various points of supply chain especially in the lean period of consumption.

For example the average opening stock of urea, during the last 5 financial years (01.04.2018 to 01.04.2022) has been 56.6 LMT whereas the average requirement of urea for the same period has been 340 LMT. It is observed that financial year has started with additional stocks (supplied by DoF and available with states), which has been round about 17 percent of the total annual requirement. Similarly, during last five financial years in respect of DAP, MOP and NPK, financial year has started with additional stocks which has been round about 25 percent, 23 percent and 29 percent of the total annual requirement. However, there is no specific policy with regard to buffer stock to offset the effects of fluctuations/escalation of price of raw materials in the international market.

(iii) D/o Fertilizers has been in discussions with M/o Mines, M/s Geological Survey of India and M/s Mineral Exploration and Consultancy Ltd. for exploration of raw materials like Phosphate and Potash from the available sources of them in India. DoF has also organized meetings with Fertilizer PSUs and M/o Mines, for allocation of mineral blocks of Phosphate and Potash. M/s FAGLMIL a PSU under DoF is also working on exploration and mining of these minerals.

Recommendation No.6

Need for continuance of Urea Subsidy scheme.

2.3 With regard to the need for continuance of Urea Subsidy scheme, the Committee had recommendation as follows:-

Keeping in view the proposal submitted by the Department of Fertilizers regarding continuation of Urea Subsidy Scheme for 5-year period from 2021-22 to 2025-26 for the appraisal of Expenditure Finance Committee (EFC) on 2nd August, 2021; the Committee recommended as under:

“The Committee note that for sustained agricultural growth it is imperative that Urea is made available to farmers at affordable prices and therefore urea is being sold to farmers at statutorily notified uniform MRP. The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. The Department of Fertilizers has submitted the proposal for continuation of Urea Subsidy Scheme for 5-year period from 2021-22 to 2025-26 for the appraisal of Expenditure Finance Committee (EFC) on 2nd August, 2021. However, EFC recommended that Urea Subsidy Scheme as per the present proposal may be continued for one year till 31.03.2022. EFC also inter alia recommended that it may also be examined if urea can be brought under Nutrient Based Subsidy Scheme and it may be ensured that nitrogen subsidy under urea subsidy policy as well as under Nutrient Based Subsidy (NBS) policy should be at par. However, “Third Party Evaluation” conducted on Urea Subsidy

has recommended that there is necessity for continuation of the urea subsidy scheme to help the urea industries, farmers and the agriculture sector as it has a great impact on agricultural sector in increasing crop yield and reducing the expenditure of farmers for cultivation. The Committee feel that Urea is a very sensitive fertilizer in the country as it is used by most of the farmers and it has lead to green revolution in the country. Moreover, the Maximum Retail Price of urea is statutorily fixed by the Government whereas the market price of P & K fertilizers covered under NBS Scheme are determined by market forces based on demand/supply balance. The Committee, therefore, recommend that the Department of Fertilizers should make wide consultations with all stake holders including the farmers on the feasibility of bringing urea under NBS Scheme, the extent to which it would affect the interests of farmers, its impact on agricultural production, etc. before arriving at a considered decision in this regard. Hence, the Ministry of Finance and EFC may be requested to extend the present urea subsidy scheme beyond 31 March, 2022 as recommended in the Third Party Evaluation Report. This recommendation may also be shared with the Ministry of Finance for its consideration. Progress made in the matter may be intimated to the Committee.”

REPLY OF THE GOVERNMENT

2.4 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

“The recommendation of the Committee has been forwarded to Ministry of Finance vide O.M. dated 27th April, 2022. Further, Department of Fertilizers is in the process of preparing a fresh EFC proposal for continuation of Urea Subsidy Scheme up to 31.03.2025.”

Recommendation No.7

Research and Development (R&D) activities in Fertilizers Sector.

2.5 With regard to the research and Development (R&D) activities in Fertilizers Sector, the Committee had recommended as follows:-

The Committee note that the Ministry of Finance opened/ revived a separate head for R&D for the Department of Fertilizers on the basis of the recommendation made by the Committee in 20th Report (Demands for Grants 2021-22). A budget of Rs.10 lakh was provided under this head for the financial year 2021-22 by taking token supplementary. For the financial year 2022-23, an allocation of Rs. 10 lakh has been made under the head. The Committee is however, distressed to note that the utilization of Rs. 10 lakh Grant-in-Aid (2021-22) for the promotion of R & D in Nano urea is zero when information was furnished to the Committee. Department has also not done any R&D activities in fertilizers sector for development of higher efficiency eco-friendly fertilizer products. According to the Department of Fertilizers, Indian Council for Fertilizer & Fertilizer Nutrient Research (ICFFTR) has been constituted by fertilizer

CPSEs under Department of Fertilizers with the objective to undertake research in the area of fertilizer and fertilizer manufacturing technology, use of raw material and innovation in fertilizer products. It is also learnt that ICFEER has not received any new research proposals for funding. Accordingly, no demand for funds has been raised by ICFEER to the Department of Fertilizers. So no new projections were made. Further, if any new research proposal is received for funding, fresh demands shall be made by the Department in supplementary demand for grants. The Committee are not satisfied with the half-hearted initiatives of the Department to promote R&D in the fertilizers sector and feel that promotion of R & D in the fertilizer sector is very much essential to attain self-sufficiency in the sector. The Committee, therefore, strongly recommend that

- v. R&D in the area of fertilizers and fertilizer manufacturing technology and innovation in fertilizer products should be encouraged wholeheartedly with the backing of suitable budgetary allocation for the same.
- vi. R&D in fertilizer technology may be encouraged to develop more efficient fertilizers by diversifying the product basket to include indigenous varieties of Nano fertilizers (Urea/ P&K/ micro nutrients), bio-fertilizers, organic fertilizers, compost, bio-stimulants, etc) which may be shared among the fertilizer PSUs.
- vii. The Department may identify Common Research Projects (4-5 each year) with Public Private Partnership (PPP Mode) making focused and integrated efforts with suitable budgetary support for development of new innovative efficient fertilizers and obtain patent for the same which may in the long run facilitate the country to save precious foreign exchange and be a net exporter of fertilizers.
- viii. ICFEER may be promoted as a dedicated national research institution exclusively devoted to promotion and research in fertilizer sector for development of innovative fertilizer products and development of indigenous technology for improving energy efficiency in the fertilizer manufacturing plants.

REPLY OF THE GOVERNMENT

2.6 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) "Department of Fertilizer has noted the recommendation for innovation in fertilizer sector. The suitable budgetary allocation for the innovation of fertilizers will be considered as and when required.

(ii) Nano urea has been developed indigenously, for the first time in the world at IFFCO - Nano Biotechnology Research Centre (NBRC) Kalol, Gujarat through a proprietary patented technology. The trials of Nano Urea has been conducted by 22 ICAR Institutes and State Agricultural Universities on 13 major crops at 43 locations. Further, 11000 Farmers' Field Trials on 94 crops in previous three Agriculture Seasons

under the supervision of ICAR & KVK have been conducted. Ministry of Agriculture & Farmers Welfare, Government of India, has provisionally notified Nano Urea (Liquid) as a nano fertilizer under the Fertilizer Control Order (FCO) vide notification dated 24th February, 2021.

Further, IFFCO has informed that Research and development efforts have also been undertaken for nanofertilizers like nano DAP, nano Zinc, Nano Copper. Continuous research and development efforts have been undertaken for manufacturing these nanofertilizers as well as establishing their efficacy vide experiments conducted under the National Agriculture research System (NARS). Their reports have been submitted to DA&FW for inclusion in Fertiliser Control Order (FCO).

(iii) With the introduction of 8 Nano Urea plants and 5 revival urea units, it is estimated that, Department of Fertilizers will be self-sufficient in Urea by 2025 end and there will be no import dependence. The domestic production of conventional urea and Nano Urea will be more than the demand.

(iv) It is informed that the directions given by standing committee that "ICFFTR may be promoted as a dedicated national research institution exclusively devoted to promotion and research in fertilizer sector for development of innovative fertilizer products and development of indigenous technology for improving energy efficiency in the fertilizer manufacturing plants" has been noted for compliance."

Recommendation No.8

Necessity for formulation of a new scheme for providing Market development

2.7 With regard to the Necessity for formulation of a new scheme for providing Market development, the Committee had recommended as follows:--

"The Committee note that the scheme for promotion of City Compost which was launched in 2016 under Swachh Bharat Mission whereby Market Development Assistance was being given to promote its use has been discontinued as per recommendations of Expenditure Finance Committee (EFC) after 30th September, 2021. The Committee was apprised that the EFC in its review regarding continuation of the scheme during 2021-22 to 2025-26 observed that it is a very small scheme and since there are similar schemes in other Departments with larger budget and better field presence, promotion of city compost scheme should be discontinued. The Committee however, desires that to promote the eco friendly natural fertilizers there is an immediate need for introducing a new scheme by enlarging the scope of the assistance for promoting production and use of organic and bio-fertilizers which are manufactured in rural areas are also covered under Fertilizer Control Order (FCO). The Committee feel that MSMEs and big fertilizers companies be both involved and the manufacture and marketing of organic and bio-fertilizers be based on the aggregator model wherein

the big companies act as aggregators and they take these products from the MSMEs. A specific production target be fixed for grant of Market development assistance. This shall in the long run make eco-friendly fertilizers easily available locally at cheaper rates to the farmers and also be eco-friendly to the soil and environment. The Committee, therefore, strongly recommend that the Department of Fertilizers should draft a new scheme in a time bound manner with wider scope for providing Market development Assistance for production and use of Organic and bio-fertilizers covered under FCO and place the same for the approval of Expenditure Finance Committee and to seek sufficient budget for the same in the near future. This recommendation may also be shared with the Ministry of Finance for its compliance”.

REPLY OF THE GOVERNMENT

2.8 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

“To promote organic and bio-fertilizers by extending Market Development Assistance (MDA), Concept Note and EFC proposal have been circulated to stakeholder Ministries/Departments including Niti Aayog for their comments. In- Principle- Approval (IPA) of Department of Expenditure has been sought from Department of Expenditure on the Concept Note on the Scheme for Promotion of Organic and Bio-fertilizers. Comments of Department of Agriculture & Farmers’ Welfare (DA & FW) have been sought on the observations of Department of Water Resources and Sanitation (DWS), MoHUA, MoP&NG, ICAR, Niti Aayog and Department of Expenditure on the concept note for Scheme on Promotion of Bio and Organic fertilizers”.

Recommendation No.9

Need for timely availability of fertilizers to farmers and to stop unfair trade practices.

2.9 With regard to the, need for timely availability of fertilizers to farmers and to stop unfair trade practices, the Committee had recommended as follows:-

“The Committee are concerned to note that the farmers at village level are not able to get required quantum of fertilizers during peak agricultural seasons despite of provision of Rs. 1.2 lakh crore budget on fertilizers subsidy. There are reports that retailers ask the farmers to buy other products manufactured by a particular company along with subsidized fertilizers. The Committee also noted with concern that on one hand the Department is claiming that there is no shortage of fertilizers while on the other hand there are news regarding the non-availability of fertilizers to the farmers. There are also reports that Urea is being sold in black market at higher prices due to mis-management at the local level. The Committee desire that even though distribution of fertilizers at the local levels is the prerogative of the State Governments, sincere efforts must be made by the Department for streamlining, strengthening and improving the

functioning of retail network system in the States/ UTs so as to check the menace of black marketing, hoarding, artificial shortages and to ensure quality of fertilizers. The Committee, therefore, recommend that:-

- i. States/UTs shall be requested to take all the steps for ensuring timely availability of required quantum of fertilizers to the farmers particularly during peak seasons of cultivation of crops and no farmer should be deprived of subsidised fertilizers.
- ii. Fool proof measures should be taken by the State/UT Governments to check the menace of black marketing, hoarding, artificial shortages, etc.
- iii. The Department in coordination with all concerned Ministries/ State Governments/ Departments/ agencies should chalk out a frame-work for regular audit of the sales of subsidized fertilizers at the Company, Wholesaler and Retailer level as empowered under the Fertilizer Control Order (FCO), 1985 so as to check unfair practices, if any at various levels. In case any mal-practice is noticed during the audit, prompt necessary action may be taken against the concerned person which benefit the agriculture sector in the long run.
- iv. The Department must ensure prompt installation of PoS devices at the Retail/ Wholesale points throughout the country so that the sale of fertilizers could be made compulsory through AADHAR authentication or through KCC and Voter ID is admissible. The iFMS Dash-Board system may also be further strengthened to stop any pilferage and monitor the stocks and availability at each level.

The sentiments expressed by this Committee may be conveyed to the all concerned Ministry/ State Governments/ Departments/ agencies for their compliance. The Committee would like to be apprised of the action taken in the matter”.

REPLY OF THE GOVERNMENT

2.10 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) “As desired by the committee, letter to all states has been issued conveying the recommendations of the committee.

(ii) To avoid black marketing and hoarding, the state governments are adequately empowered under the Fertilizer Control Order (FCO), 1985 to take necessary steps. Department of Fertilizers regularly advise the state governments to take the required steps so that the fertilizers is made available to the farmers at reasonable prices and to keep a strict check on malpractices such as black marketing and hoarding.

As recommended by the committee, states/UTs would again be requested to take needful action to check the menace.

(iii) Department of Fertilizers (DoF) has developed an IT enabled system viz., Integrated Fertilizer Management System (iFMS), which captures end to end details of Fertilizer in terms of Production, Movement, availability, requirement, Sale, Subsidy Bill

Generation to Subsidy payment to fertilizer companies. The iFMS system can be accessed at <http://mfms.nic.in/>. Also, a new initiative has been made by the Department of Fertilizers with introduction of Dashboard for various detailed reports related to DoF and States. Through this dashboard, Department of Fertilizers is ensuring the availability of stocks of all fertilizers at the Wholesalers and retailers. There is also Collector Dashboard, Company Dashboard and MarkFed Dashboard.

Further, to avoid black marketing and hoarding, the state governments are adequately empowered under the Fertilizer Control Order (FCO), 1985 to take necessary steps. Department of Fertilizers regularly advise the state governments to take the required steps so that the fertilizers is made available to the farmers at reasonable prices and to keep a strict check on malpractices such as black marketing and hoarding.

(iv) Under the fertilizer DBT system 100% subsidy on various fertilizer grades is released to the fertilizer companies on the basis of actual sales made to farmers/buyers through Point Of Sale (POS) devices installed at each retail shop. All beneficiaries are identified through Aadhaar card (only in case of Assam and J&K authentication is done through KCC/Voter ID).

The iFMS Dashboard system is being strengthened periodically to stop any pilferage and monitor the stocks and availability at each level”.

Recommendation No.10

Need to strengthen the Soil Health Card Scheme for balanced use of fertilizers.

2.11 With regard to the need to strengthen the Soil Health Card Scheme for balanced use of fertilizers, the Committee had recommended as follows:-

“The Committee are concerned to note that the initiatives to educate the farmers about the appropriate and balanced use of fertilizers as per crop and soil type are not adequate. According to the Department of Fertilizers, urea is a very sensitive fertilizer in the country and is being provided to the farmers at a subsidized rate of Rs. 266.5 per 45 kg. per bag on no-denial basis. Farmers tend to use some fertilizers particularly Urea more than the requirement and it leads to imbalanced use of fertilizers which affects the soil health in the long run. So there is a need to create awareness among farmers about the judicious and balanced use of fertilizers as per the prescription in Soil Health Cards. The Committee are not convinced by the submission made by the Department that it is a misnomer that if one uses Soil Health Card, then the fertilizer consumption will be reduced. As the imbalanced use of chemical fertilizers result in deterioration of the soil health and affects the eco-system, the Committee strongly recommend the following:-

- i. A re-look needs be given to the Soil Health Card scheme in coordination with the Ministry of Agriculture, State Governments and other agencies so that it effectively helps to promote the balanced use of fertilizers in a target oriented manner and to monitor the percentage use of various chemical fertilizers in each region regularly.
- ii. Soil testing and mapping of each region of the country may be done on priority basis;
- iii. It may be examined whether the sale of fertilizers may be made as per the recommendations of the soil health card so as to ensure application of fertilizers according to requirements of particular soil.
- iv. The Department of Fertilizers should in coordination with all concerned Ministries/ State Governments /fertilizers companies/ other agencies chalk out monthly target oriented programmes for the education of farmers on the benefits of balanced use of fertilizers.

This recommendation may be conveyed to the all concerned Ministries/ State Governments/ other concerned agencies for their compliance. The Committee would like to be apprised of the action taken in the matter”.

REPLY OF THE GOVERNMENT

2.10 “In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) Pertains to DA&FW as the matter is regarding promoting balanced use of fertilizers as per Soil Health Card and soil testing and mapping of each region of the country.

(ii) Pertains to DA&FW as the matter is regarding promoting balanced use of fertilizers as per Soil Health Card and soil testing and mapping of each region of the country.

(iii) Pertains to DA&FW as the matter is regarding promoting balanced use of fertilizers as per Soil Health Card and soil testing and mapping of each region of the country.

(iv) The recommendation for coordination with Ministries/State Govt./Fertilizer companies for monthly target oriented programme for education of farmers on the benefits of balanced use of fertilizers has been noted by the department for further necessary action”.

Recommendation No.11

Need to promote Nano fertilizers

2.12 With regard to the need to promote Nano fertilizers, the Committee had recommended as follows:-

“The Committee note the submission of Department of Fertilizers that IFFCO has indigenously developed Nano urea which is a next generation smart efficient fertilizer which apart from reducing input cost is environmentally very safe and beneficial. IFFCO is also in process of developing other versions of Nano fertilizers like Nano DAP, Nano Zinc and Nano Boron which are at different stages of development and field testing. According to Department of Fertilizers, these are the shining examples of AtmaNirbhar Bharat as it will not only increase the farmer’s income, but also reduce import dependence and is very easy to transport. Commercial production at IFFCO’s Nano urea plant at Kalol, Gujarat was started on 1st August, 2021 and 2.40 crore Nano urea bottles were manufactured when this information was furnished to the Committee. It is also noted that in terms of efficacy 1 Nano Urea bottle is equivalent to a 45 kg Urea bag. The cost of Nano Urea bottle is Rs. 240 per 500 ML bottle whereas that of conventional subsidized urea is Rs. 266.5 per 45 Kg bag. Since Nano fertilizers are cheaper than the conventional subsidized fertilizers, no subsidies from the Government may be required for production of Nano fertilizers. As researches have shown that the average crop productivity increase is around eight per cent, it saves farmers to the tune of Rs. 5,000-Rs. 10,000 per hectare. Moreover, the efficacy of nano fertilizer is more than 80 percent, whereas that of the conventional urea efficacy is only 30 per cent to 40 per cent. Nano urea has the potential to replace conventional urea by 50 per cent. IFFCO is in the process of setting up of more plants. Further the technology has been transferred to two Government PSUs viz. NFL and RCF and they are also setting up their Nano urea plants which will be operational in July, 2024 and March 2024 respectively. With the commissioning of these plants, the total capacity of production of nano fertilizers will be 44 crore bottles per year which will be equivalent to 44 crore urea bags, around 200 LMT and it has the potential to reduce import of 90 LMT urea. Further, there are possibilities to transfer the technology to the private sector on royalty basis once this nano fertilizer gets stabilized and becomes very popular among the farmer community. The Committee was also informed that requirement of separate budget head to provide subsidy /Incentive for production and sale of Nano fertilizers is not envisaged. Since the nano fertilizers are cost effective, eco-friendly, easy to transport, improve crop productivity and have potential to save Government’s subsidy spending to a large extent, the Committee would like to recommend the following:-

- i) Department of Fertilizers may encourage research and development of various nano fertilizers by public and private companies and may consider financial assistance in this regard.
- ii) Department of Fertilizers may consider providing subsidy on nano fertilizers to make them very cheap and attractive to the farmers.
- iii) Since the use of this smart fertilizer will remove our import dependency in the long run, incentives may be considered for production and sale of Nano fertilizers by the PSUs/ private entities.
- iv) A strong awareness campaign may be initiated amongst the farmers to educate them about the features of nano fertilizers.
- v) Initially the nano fertilizers may be tagged with the sale of conventional fertilizers to popularize them among the farmers.
- vi) Since use of Nano fertilizers can be a game changer in the sector, the Department may encourage transfer of Nano technology to the other fertilizer PSU's and to the private fertilizer companies so as to maximize its production capacity which shall enable the country not only to meet its own requirement but also to be a net exporter.
- vii) The Department of Fertilizers may frame the Guidelines regarding application of drone technology for foliar application of Nano fertilizers on priority basis in coordination with the Ministry of Agriculture, Department of Civil Aviation seeking inputs from the fertilizer manufacturing companies, farmers and the village entrepreneurs, etc. so as to provide training and other facilities for its convenient and efficient application.

The Committee would like to be apprised of the action taken in the matter.”

REPLY OF THE GOVERNMENT

2.13 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) “Nano urea has been developed indigenously, for the first time in the world at IFFCO - Nano Biotechnology Research Centre (NBRC) Kalol, Gujarat through a proprietary patented technology. The trials of Nano Urea has been conducted by 22 ICAR Institutes and State Agricultural Universities on 13 major crops at 43 locations. Further, 11000 Farmers’ Field Trials on 94 crops in previous three Agriculture Seasons under the supervision of ICAR & KVK have been conducted. Ministry of Agriculture & Farmers Welfare, Government of India, has provisionally notified Nano Urea (Liquid) as a nano fertilizer under the Fertilizer Control Order (FCO) vide notification dated 24th February, 2021.

Further, IFFCO has informed that Research and development efforts have also been undertaken for nano fertilizers like nano DAP, nano Zinc, Nano Copper.

Continuous research and development efforts have been undertaken for manufacturing these nanofertilizers as well as establishing their efficacy vide experiments conducted under the National Agriculture Research System (NARS). Their reports have been submitted to DA&FW for inclusion in Fertiliser Control Order (FCO).

- (ii) Nano fertilizers are cheaper than the conventional subsidized fertilizers and therefore, subsidies from the Government may not be required for production of Nano fertilizers
- (iii) Nano fertilizers are cheaper than the conventional subsidized fertilizers and therefore, subsidies from the Government may not be required for production of Nano fertilizers. Hence, subsidy/incentive for production and sale of Nano fertilizers is not envisaged.
- (iv) Use of Nano Fertilizer is being promoted through awareness camps, webinars, nuked natak, field demonstrations, kisansammelans and films in regional languages etc. DoF has prepared a movie on Nano Urea in English, Hindi and four other regional languages to promote the use of Nano Urea
- (v) At present, Department of Fertilizers doesn't not encourage tagging of fertilizers. However, use of Nano Fertilizer is being promoted through awareness camps, webinars, nuked natak, field demonstrations, kisansammelans and films in regional languages etc. DoF has prepared a movie on Nano Urea in English, Hindi and four other regional languages to promote the use of Nano Urea.
- (vi) To boost the indigenous production of Nano Urea, two Central Public Sector Undertaking (CPSU) namely National Fertilizers Limited (NFL) and Rashtriya Chemicals and Fertilizers Limited (RCF), under administrative control of Department of Fertilizers, has signed Non-Disclosure Agreement (NDA) & Memorandum of Understanding (MoU) with Indian Farmers Fertilizer Cooperative (IFFCO) to transfer the technology of Nano Urea from IFFCO. The details of Nano Urea plants are as under:-

Location	Production Capacity Bottles (500 ml) per Year (in Crore)	Commercial Production/Anticipated Commercial production
IFFCO Kalol Gujarat	5.0	August 2021
IFFCO Phulpur UP	6.0	Sept 2022
IFFCO Aonla UP	6.0	April 2023
IFFCO Bengaluru, Karnataka	6.0	March 2024
RCF Trombay Maharashtra	5.0	March 2024
NFL Nangal Punjab	5.0	July 2024

IFFCO Deoghar Jharkhand	6.0	Nov 2024
IFFCO Assam	5.0	Nov 2025
Capacity by 2025	44.0 Crore Bottles Per Year	

IFFCO has been requested to transfer the technology of Nano urea to Brahmaputra Valley Fertilizers Company Limited (BVFCL) and Fertilizers & Chemicals Travancore Limited (FACT) for free of cost. In this regard, IFFCO has conveyed that the license fee for grant of license & knowhow and the production based Royalty Fee would be on chargeable basis for setting up Nano Urea (Liquid) fertilizer plant in India based on IFFCOs proprietary technology.

(vii) Department has also issued guidelines for development of entrepreneurs for drone spraying of liquid fertilizers. Copy of guideline is at Annexure-I for kind perusal”.

Recommendation No.12

Interest free loan to HURL (Hindustan Urvarak & Rasayan Limited).

2.14 With regard to Interest free loan to HURL (Hindustan Urvarak & Rasayan Limited), the Committee had recommended as follows:-

“The Committee was glad to note that CCEA on 01.08.2018 approved interest free loan (IFL) of Rs. 1257.82 Crore equivalent to interest during construction (IDC) component to HURL projects (Sindri, Gorakhpur and Barauni). During the financial year 2020-21, 813.24 Crore was released to HURL as 1st installment. The Committee noted with concern that BE and RE for HURL during the year 2021-22 under the Capital Section was Rs. 444.58 Crore. But the Actual Expenditure for the same was Nil as on 31.01.02022. The Committee also learnt that while processing the disbursement of 2nd installment it was noted that IDC was approved by CCEA for the period not exceeding 36 months from the zero date. However, HURL had raised demand of IFL equivalent to interest calculated for the period of 36months from the date of drawl of first instalment of loan from Bankers. As approved by CCEA, the Department restricted the IFL equivalent to IDC for the period of 36 months from the zero date and accordingly an amount of Rs.81.56 Crore was released to HURL as 2nd and final instalment of IFL and unutilized amount of Rs. 363.02 Crore was surrendered. In this regard, the Committee would like to recommend the following:-

- i. It is a matter of concern that the Department of Fertilizer and the Ministry of Finance did not properly study the terms fixed by CCEA at the time of approval of loan before preparation of budget estimates for 2021-22 and this has led to unnecessary locking of Rs.363.02 Crore for about a year which would have been resourcefully used for other purposes. The Committee hope that the Department would be more careful while preparing the proposals for budgetary allocation so as to avoid unnecessary locking of scarce resources.

- ii. Matter regarding interest free loan including the issue of date of calculation of interest may be relooked and the possibilities of release of balance loan amount to HURL may be explored so that it is helpful in timely revival of urea manufacturing plants. The Committee would like to be apprised of the action taken in the matter”.

REPLY OF THE GOVERNMENT

2.15 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

(i) “As per CCEA approval dated 01.08.2018 and Loan Agreement signed between HURL and DoF on 08.09.2020, the Interest Free Loan (IFL) equivalent to actual interest incurred during construction for a period of 36 months from the zero date or Rs. 1257.82 crores whichever is lower was payable to HURL. The actual IDC incurred by HURL till scheduled date of commissioning was Rs. 89.4.80 crore. Therefore, release of IFL was restricted to Rs. 894.80 crore only and balance Rs. 363.02 was surrendered by the department.

(ii) Since the IFL was disbursed as per CCEA approval and subsequent loan Agreement signed between HURL and DoF, there is no scope to release the balance loan amount to HURL”.

CHAPTER – III

**OBSERVATIONS / RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY**

NIL

CHAPTER – IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH THE REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation No. 1

Inadequate Budgetary Allocation in Budget Estimates for 2022-23.

4.1 With regard to Inadequate Budgetary allocation in Budget Estimates for 2022-23, the Committee had recommended as follows:-

The Committee note that a budgetary allocation of Rs.109242.23 Crore has been made in respect of Demand No.6 pertaining to Department of Fertilizers for the year 2022-23. This allocation has been made against the projected demand of Rs.176760.59/- Crore of the Department to meet the requirements for its various schemes and policies. In this regard, the Committee are dismayed to note that the cut in BE allocation is by Rs.67518.36/- Crore which amounts to 38 % of the projected requirements of the Department. According to the Department of Fertilizers, allocated amount is not sufficient to meet the projected requirement of subsidy funds for the year 2022-23 and the requirement for additional funds will be re-assessed and demanded at the time of RE/Supplementary for 2022-23 depending on the prices of raw materials and fertilizers. However, the expenditure before RE stage is done on the basis of BE allocation only. RE is mostly finalized by December every year and the same is regularized through 2nd batch of supplementary demands for grants. Hence, the funds approved at RE stage mostly reaches the Department during the last quarter of the financial year only. During 2021-22, an allocation of Rs.84041.39 Crore was made at BE stage which was increased to Rs.149663.28 Crore at RE stage which was about 78% increase over the BE. As a result of such late infusion of funds, the Department of Fertilizers was able to spend only Rs.117675.14 Crore as on 31 January, 2022. In view of the above, the Committee feel that the gap between the projected requirement for 2022-23 and the budgetary allocation may eventually result in delayed payment/ settlement of claims in respect of both Urea and P&K fertilizers subsidies and will thereby adversely affect the financial performance of the fertilizer sector as a whole. Taking this situation into consideration, the Committee recommended earlier also that Ministry of Finance be convinced at the highest level to declare the Department of Fertilizers as a “Priority Department” so that the fund requirements of the Department may be met without any cut. Drastic reduction of funds at BE stage will upset the expenditure planning for the whole year and the substantial allocation of fund at RE stage for subsidy payment reflects the poor planning by both the Ministry of Finance and the Department of Fertilizers. The Committee, therefore, recommend that Department of Fertilizers should strengthen its budgetary planning process and come out with accurate demand for funds so as to convince the Ministry of Finance to allocate funds as per its requirements at BE stage itself without any cuts for its subsidy schemes. Considering the importance of providing fertilizers to the farmers at subsidized rates, the Ministry of Finance should accord priority status to this

Department and strive to allocate the funds required by the Department at BE stage itself which will facilitate timely and optimum utilization of funds by the Department and will eventually give boost to the agriculture sector in the country. The sentiments expressed by this Committee may also be conveyed to the Ministry of Finance for its compliance. The Committee would like to be apprised of the progress made in this regard.

REPLY OF THE GOVERNMENT

4.2 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"Department of Fertilizers sends the budget proposal based on the projections made for the coming year depending on the requirement of fertilizers and prices of raw material and fertilizers prevailing. The same is conveyed to M/o Finance with proper justification. If and when, the need for more funds arises, the same are sought at different stages during a Financial Year viz. 1st, 2nd and 3rd Supplementary and RE Stage, based on the fund position/utilization. Department ensures that there is no shortage of funds and at every stage, requirements are assessed and funds demanded from Ministry of Finance. In the past, Ministry of Finance has provided funds at all stages as per our requirement.

Recommendations of Standing Committee have been conveyed to M/o Finance."

COMMENTS OF THE COMMITTEE (Please see Para No. 1.7 of Chapter – I of the Report)

Recommendation No. 2

Timely placement of proposals for allocation at RE 2022-23

4.3 With regard to the timely placement of proposals for allocation at RE 2022-23, the Committee had recommended as follows:-

"The Committee are concerned to note that the Department has been allocated Rs. 42000 Crore in BE 2022-23 against the budgetary proposal of Rs. 72702 Crore for Nutrient Based subsidy (NBS) scheme. In respect of urea subsidy, the Department has been allocated Rs. 67202.42 Crore in BE 2022-23 against its requirement of Rs. 104016.64 Crore for the year. Further, the BE allocation for 2022-23 in respect of urea subsidy is 21% lower than the Revised Estimates of 2021-22 and there is a 35 percent decrease in NBS subsidy this time when compared to RE of 2021-22. In regard to the reasons for reduction of budgetary allocation at BE stage of 2022-23 and its adequacy in meeting fund requirements of urea and NBS subsidy schemes, the Department of Fertilizers has stated that the Ministry of Finance allocated the funds as per the priorities of the Government and financial space available. Actual

requirement of funds will depend on the prevailing prices of some fertilizers and raw materials in the market. However, if the need arises, it will request the Ministry of Finance to allocate additional funds at RE 2022-23 stage and in the Supplementary Demands for Grants during 2022-23. Keeping in view the trend of the previous years, the Committee are of the view that the budgetary allocation at BE stage of 2022-23 may not be adequate to meet the entire fund requirements under Urea and NBS subsidy Schemes. The Committee, therefore, recommend that the Department of Fertilizers should calculate the fund requirement for the whole year and place its proposal timely before the Ministry of Finance for making additional allocations in RE 2022-23 so as to meet its projected requirements under Urea and NBS subsidy Schemes both for indigenous and imported fertilizers during the year. The Committee would like to be apprised of the measures taken in this regard."

REPLY OF THE GOVERNMENT

4.4 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"The recommendation suggested by the committee is duly considered. The Programme divisions are regularly monitoring the expenditure and available funds under Urea and NBS schemes. The additional requirement of funds, if any, will be sought well in time at the RE – 2022-23 stage."

COMMENTS OF THE COMMITTEE (Please see Para No. 1.10 of Chapter – I of the Report)

Recommendation No. 3

Need to dismantle Carry-over liabilities.

4.5 With regard to the need to dismantle carry-over liabilities, the Committee had recommended as follows:-

Expressing its concern to the accumulation of huge amounts of carry over liabilities i.r.o. both indigenous and imported urea and P&K fertilizers over the years which reflected its lack of proper budgetary planning, the Committee recommended as under:-

"The Committee are concerned to note that the estimated carry-over liabilities (COL) for payment of subsidy during 2021-22 in respect of indigenous and imported urea will be Rs. 6000 Crore and Rs. 12300 Crore, respectively and in respect of indigenous and imported P&K fertilizers the same will be Rs.1300 Crore and Rs. 2073 Crore, respectively. A total of Rs.21673 Crore is likely to be accumulated as COL in respect of indigenous and imported Urea and P&K fertilizers by the end of 2021-22. In this regard, Department of Fertilizer has stated that it has requested for grant of Rs. 6000 Crore under 3rd supplementary grant to meet Indigenous Urea funds

requirement in Quarter-IV of 2021-22 and if the supplementary is not granted, anticipated carry-over liability of Rs. 6000 Crore would be settled in FY2022-23. The Department has also requested the Ministry of Finance to provide additional funds under 3rd Supplementary grant to clear COL in respect of imported urea. However, COL in respect of Indigenous P&K and Imported P&K are likely to be completely cleared from the available budget (RE 2021-22) by the end of March 2022. The Committee deplore the tendency of the Department of Fertilizers to accumulate carry over liabilities year-after-year. This tendency clearly shows the lack of proper planning in its budgetary process. In this regard, the Committee recommend that a concrete mechanism should be developed by the Department of Fertilizers to accurately estimate the RE stage fund requirements for the payment of subsidies in respect of both indigenous and imported fertilizers taking into account various factors including international price situation and place an accurate demand with the Ministry of Finance for fund allocation at RE stage so that the Department may timely utilize the entire RE allocation for the payment of subsidies without any COL by the end of a financial year. A copy of this recommendation may also be sent to Ministry of Finance for its compliance while deciding RE allocations for the Department of Fertilizers.”

REPLY OF THE GOVERNMENT

4.6 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"The settlement of subsidy / DBT claims of fertilizer companies are being done regularly subject to availability of funds. The actual Carry-over liabilities for 2021-22 are Rs.1529.37 crores against the estimated Carryover liabilities of Rs.6000.00 crores in r/o Indigenous Urea. The detailed information regarding utilization of funds allocated at RE 2021-22 and status of Carryover liability (2021-22) in r/o Indigenous Urea is as under:

Funds Status of 2021-22		Carryover liabilities status		
Final allocation	Expenditure	Carryover liability as on 01.04.2022	Carryover liability paid during 2022-23 as on date	Balance Carryover liabilities as on date
54619.72	54619.72	1529.37	1475.94	53.43

The carry-over liabilities (COL) in respect of Indigenous P&K, Imported P&K and Imported Urea for the FY 2021-22 (as on 01.04.2022) are as follows;

Sr. no.	Scheme	CoL as on 1.4.22	Remark
1	Indigenous P&K	237.66 Cr	Digital Freight bills of Rs. 237.66 Cr could not be passed due to technical glitch in

			New Freight Module of iFMS. These claims were generated digitally for the first time.
2	Imported P&K	2.57 Cr	Claims worth rs. 2.57 cr could not be processed because of incomplete documents.
3	Imported Urea	869.50 Cr	Funds allocated in FY 2021-22 fully utilized.
4	City Compost	0.00	-

COMMENTS OF THE COMMITTEE
(Please see Para No. 1.13 of Chapter – I of the Report)

Recommendation No. 5

Promotion of SSP and Potash Derived from Molasses.

4.7 With regard to the, promotion of SSP and Potash Derived from Molasses, the Committee had recommended as follows:-

Expressing its pleasure to learn that Single Super Phosphate (SSP) fertilizer is manufactured indigenously and that Potash derived from Molasses (PDM) has been included under NBS scheme to promote indigenous source of fertilizers which are very cost effective alternatives to DAP, the Committee recommended as under:-

“The Committee is glad to learn that Single Super Phosphate (SSP) fertilizer is 100% manufactured indigenously in our country and that Potash derived from Molasses(PDM) has been included under NBS scheme to promote indigenous source of fertilizers. According to the Department of Fertilizers, the country has 111 manufacturing units of SSP and the total production of SSP during the rabi season of 2020-21 and 2021-22 was 23.66 LMT and 21.53 LMT, respectively. Farmers use two bags of SSP with 20 kilograms of urea to substitute one bag of DAP. It was also learnt that last year the Government of Rajasthan had issued order that the usage of SSP in place of DAP should be made the standard practice as SSP is very cost effective and is thus known as the poor man’s DAP. The Committee is also pleased to note that the Department of Fertilizers is planning to include SSP in the freight subsidy scheme to facilitate its availability in other States as well. However, the usage of SSP industry is limited to some States where it is mainly produced. The Committee therefore, strongly recommend that the Department may vigorously promote setting up of SSP and PDM manufacturing units throughout the country even through Public Private Partnership mode to increase their production capacity so that they are abundantly available in the country. This may also support balanced fertilization, save precious foreign exchange

and decrease our import dependence in respect of NPK fertilizers in the long run. In view of the increase in the international prices of the NPK fertilizers, the Committee hope that the Department of Fertilizers will accord top priority in promotion of SSP and PDM in the country and apprise the Committee about the action taken by it in the matter.”

REPLY OF THE GOVERNMENT

4.8 In reply to the above recommendation of the Committee, the Ministry of Chemicals and Fertilizers (Department of Fertilizers) has stated as under:-

"Proposal of DoF has been approved by the Cabinet on 28.4.22 to include SSP in the freight subsidy scheme and the fertilizer movement/ supply of DoF. This inclusion may facilitate the manufacturers of SSP to ensure availability of SSP throughout the country and make SSP available even to those states where it is not manufactured. DoF has been continuously promoting SSP and resultantly it has been noticed from the iFMS data that the sales of SSP has **increased by 56 %** and DAP has **decreased by 21%** during Rabi 2021-22 (from Oct. to Dec.). As per the analysis, the sale of DAP decreased with corresponding increase in sale of SSP in major states of India i.e. Assam, Bihar, Haryana, Punjab, Rajasthan, West Bengal etc.

Potash derived from Molasses(PDM) is an indigenous fertilizer containing 14.5% of potassic content. It has been included in the Nutrient Based Subsidy Regime vide Department of Fertilizer's Notification number 23011/1/2021-P&K dated 13.10.2021. Guidelines to register the PDM manufacturing companies under NBS regime have been finalized and shall be issued shortly."

COMMENTS OF THE COMMITTEE
(Please see Para No. 1.16 of Chapter – I of the Report)

CHAPTER – V

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH THE FINAL
REPLEIS OF THE GOVERNMENT ARE STILL AWAITED**

NIL

New Delhi;

08 August, 2022

13 Sravana, 1944 (Saka)

KANIMOZHI KARUNANIDHI
Chairperson,
Standing Committee on
Chemicals and Fertilizers

STANDING COMMITTEE ON CHEMICALS & FERTILIZERS

(2021-22)

Minutes of the Ninth Sitting of the Committee

The Committee sat on Thursday, the 04th August, 2022 from 1500 hrs. to 1645 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Smt. Kanimozhi Karunanidhi, Chairperson

Lok Sabha

2. Shri Ramakant Bhargava
3. Shri Rajeshbhai Naranbhai Chudasama
4. Shri Ramesh Chandappa Jigajinagi
5. Shri Kripanath Mallah
6. Shri Satyadev Pachauri
7. Dr. M. K. Vishnu Prasad
8. Shri Arun Kumar Sagar
9. Shri Indra Hang Subba

Rajya Sabha

10. Shri Ayodhya Rami Reddy Alla
11. Dr. Anil Jain
12. Shri Arun Singh
13. Shri Vijay Pal Singh Tomar

14. Shri K. Vanlalvena

SECRETARIAT

- | | | |
|---------------------------|---|------------------|
| 1. Shri Vinay Kumar Mohan | - | Joint Secretary |
| 2. Shri Nabin Kumar Jha | - | Director |
| 3. Shri Kulvinder Singh | - | Deputy Secretary |
| 4. Shri Panna Lal | - | Under Secretary |

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2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee, convened for consideration and adoption of the following Draft Action Taken Reports:

- | | | | |
|------|--|-----|-----|
| i. | XXX | XXX | XXX |
| ii. | Thirty-Sixth Report on Action Taken by the Government on the observations/recommendations contained in the Thirty-Second Report (17 th Lok Sabha) on 'Demands for Grants 2022-23' of the Ministry of Chemicals and Fertilizers (Department of Fertilizers). | | |
| iii. | XXX | XXX | XXX |
| iv. | XXX | XXX | XXX |

3. Giving an overview of the important Observations/ Recommendations contained in the Draft Reports, the Chairperson solicited the views/ suggestions of the Members.

4. The Committee, then, took up the Draft Action Taken Reports one by one for consideration and after some discussions adopted them.

5. The Committee then authorized the Chairperson to finalise the Action Taken Reports and present the same to the Parliament.

XXX Matter Not related

APPENDIX-II

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE THIRTY SECOND REPORT (SEVENTEENTH LOK SABHA) OF THE STANDING COMMITTEE ON CHEMICALS & FERTILIZERS (2021-22) ON DEMAND FOR GRANTS (2022-23) OF THE MINISTRY OF CHEMICALS AND FERTILIZERS (DEPARTMENT OF FERTILIZERS).

	Total No. of Recommendations	12
I	Observations/Recommendations which have been accepted by the Government: (Vide Recommendation Nos. 4, 6, 7, 8, 9, 10, 11 and 12)	8
	Percentage of Total	67%
II	Observations/Recommendations that the Committee do not like to pursue in view of the Government's replies: Nil	00
	Percentage of Total	00.00%
III	Observations/Recommendations in respect of which the replies given by the Government have not been accepted by the Committee: (Vide Recommendation Nos 1,2,3 and 5	04
	Percentage of Total	33%
IV	Observations/Recommendations in respect of which the final replies of the Government are still awaited: Nil	00
	Percentage of Total	00.00%