FERTILIZER TO FORTUNE

An industry flourishing with innovation and sustainability

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Did You Know?

The Indian fertilizer market size reached INR 94,210 crore in 2023

Fertilizer industry is one of the fastest growing basic industries in India. The market is expected to reach **INR 1.38 lakh crore** by 2032, exhibiting a growth rate (CAGR) of 4.2% during 2024-2032, as per IMARC Group.

The fertilizer industry is composed of three primary nutrients essential for plant growth: **Nitrogen, Phosphorus, and Potassium,** along with secondary nutrients. The primary objective of the industry is to ensure the inflow of both primary and secondary nutrients at the optimum level.

In FY24, total fertilizer production stood at **45.2 million tonne** on back of strategies implemented by the Ministry of Fertilizers.

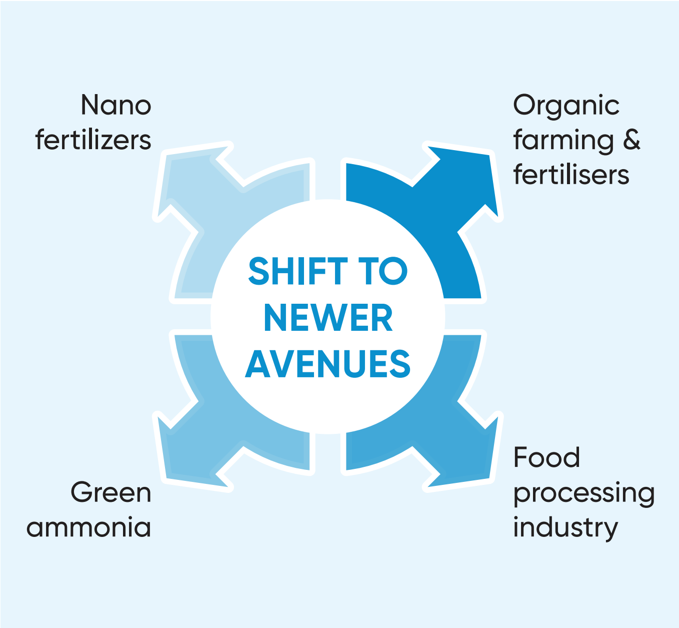
Fertilizer	FY2023-24			FY 2022-23			FY 2021-22		
	Production	Import	Sales	Production	Import	Sales	Production	Import	Sales
Urea	314	70	370	285	76	364	251	91	334
DAP	43	55	114	43	71	107	42	57	94
MOP	0	22	16	0	14	16	0	17	23
NPK Complex	95	22	120	93	28	107	86	13	121
All India Total	452	169	620	421	188	594	379	179	573

All figures in lakh tonne | Source: IndiaFertiliser.Com

Long-Term Catalysts of Fertilizer Market Growth

- India holds the position of the **second-largest** producer of fruits and vegetables in the world, following China.
- On the policy front, direct income support schemes from Centre and various state governments continue to improve liquidity at the farmers' level.
- **PM-KISAN** and **PM-Garib Kalyan Yojana** have been endorsed by United Nations Development Programme for their positive impact in ensuring India's food security goals are met.

- In wake of geopolitical crisis, the government has been making concerted efforts towards producing **nano liquid urea** in the country. This is expected to bring more stability in fertilizer prices.



- Minister Mansukh Mandaviya recently said that the total number of plants producing nano liquid urea will increase to **13 by 2025** from 9 at present. These plants would cumulatively produce 44 crore bottles of 500 ml Nano urea and DAP (di-ammonium phosphate).

- In FY24, India's fertilizer **import dependency** reduced significantly, aligning with **Atmanirbhar Bharat** initiative. Urea import declined by 7%, DAP by 22%, and NPKs by 21%.

- 100% **Neem coating** on all subsidized agricultural grade urea in the country to increase the nutrient efficiency, crop yield, soil health and check the diversion of agricultural grade urea for non-agricultural activities.

- India has firmly established itself as a global leader in nano agri inputs, encompassing **nano fertilizers** and **nano micro-nutrients.** This promotes self-reliance, mitigates environmental impact without compromising crop yield, thereby ensuring food security.

Key Schemes

National Project on Organic Farming

Paramparagat Krishi Vikas Yojana

Rashtriya Krishi Vikas Yojana

Soil Health Card Scheme

National Mission for Sustainable Agriculture

PM-PRANAM Scheme

Government Strategies Shaping the Future of Fertilizer Industry

- Indian government has set 2025-26 as the deadline by which it hopes to achieve **self-sufficiency in urea** by ramping up local output of nano urea.

- Organic farming is promoted under PKVY. Assistance of **INR 50,000 per hectare for 3 years** is provided, out of which INR 31,000 is provided directly to farmers for using organic inputs. Organic and bio fertilizer have the potential to become a huge market.

- Climate change is projected to reduce wheat yield by 19.3% in 2050 and 40% in 2080 scenarios. To mitigate this risk, the **National Mission for Sustainable Agriculture (NMSA)** is implementing strategies to make Indian agriculture more resilient to the changing climate.

- Plans of reviving closed fertilizer plants in **Talcher, Ramagundam, Gorakhpur, Sindri** and **Barauni.**

- Farmer education towards crop productivity, balanced fertilizer uses, cost-effective subsidized fertlizers, and reducing impact of chemical fertilizers.

- Continuous **research and innovation** to develop new types of fertilizers and improve existing ones.

Stocks To Watch

Company	Mcap (INR cr)	CMP (INR)
Fertilizers & Chemicals Travancore	46,195	714
Coromandel International	36,941	1,253
Chambal Fertilisers and Chemicals	16,271	406
Gujarat Narmada Valley Fertilizers & Chemicals	9,647	656
Gujarat State Fertilizers & Chemicals	8,948	225
Rashtriya Chemicals and Fertilizers	8,664	157
Deepak Fertilizers And Petrochemicals Corporation	7,056	560
Paradeep Phosphates	5,575	68
National Fertilizers	5,212	106

Data as on 24th May, 2024

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