

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 183 TO BE ANSWERED ON 04.02.2025

Efforts to make 'Viksit Bharat' by 2047 in the fertilizer sector

183: SMT. SANGEETA YADAV:

Will the Minister of **CHEMICALS AND FERTILIZERS** be pleased to state:

- (a) the efforts made by Government to make 'Viksit Bharat' by 2047 in the fertilizer sector';
- (b) whether Government has drawn any roadmap for raising the share of domestic fertilizer industry in total consumption by increasing production and quality;
- (c) if so, the details thereof;
- (d) whether efforts by Government in the last decade have helped in improvement in the contribution of the fertilizer sector to the GDP of the country; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) to (c): With regard to Urea, the Government had announced New Investment Policy (NIP) – 2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in the urea sector and to make India self-sufficient in the urea sector. Total 6 new urea units have been set up under NIP-2012 which includes 4 urea units set up through Joint Venture Companies (JVC) of nominated PSUs and 2 urea units set up by the private companies. The units set up through JVC are Ramagundam urea unit of Ramagundam Fertilizers and Chemicals Ltd (RFCL) in Telangana and 3 urea units namely Gorakhpur, Sindri and Barauni of Hindustan Urvarak & Rasayan Limited (HURL) in Uttar Pradesh, Jharkhand and Bihar, respectively. The units set up by private companies are Panagarh urea unit of MatixFertilizers and Chemicals Ltd. (Matix) in West Bengal; and Gadepan-III urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL) in Rajasthan. Each of these units has installed capacity of 12.7 Lakh Metric Tonne per annum (LMTPA). These units are highly energy efficient as they are based on latest technology. Therefore, these units have together added urea production capacity of 76.2 LMTPA, thereby total

indigenous urea production capacity (Reassessed Capacity, RAC) has increased from 207.54 LMTPA during 2014-15 to 283.74 LMTPA during 2023-24. Further, an exclusive policy for the revival of Talcher unit of FCIL through JVC of nominated PSUs namely Talcher Fertilizers Limited (TFL) by setting up a new Greenfield urea plant of 12.7 LMTPA at coal gasification route has also been approved.

In addition, the Government also notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for the existing 25 gas-based urea units with one of the objectives of maximizing indigenous urea production beyond RAC. The NUP-2015 has led to additional production of urea by 20-25 LMT as compared to the production during 2014-15 annually.

Above steps together have facilitated increase of Urea production from level of 225 LMT per annum during 2014-15 to a record Urea Production at 314.07 LMT during 2023-24.

With regard to P & K fertilizers, the Government has implemented Nutrient Based Subsidy Policy w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the policy, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided on notified P&K fertilizers depending on their nutrient content. The P&K sector is decontrolled and the fertilizer companies manufacture/import/develop domestic production capacities of fertilizers as per the market dynamics. Further, to reduce dependency on imported fertilizers, the following measures have been taken by the Government & private sector:

- (i) Based on the requests, the new manufacturing units or increase in manufacturing capacity of existing units have been recognized / taken on record under the NBS subsidy scheme, with a view to boost manufacturing and make country self-reliant in fertilizer production.
- (ii) Potash derived from Molasses (PDM) which is 100% indigenously manufactured fertilizer has been notified under Nutrient based subsidy (NBS) scheme.
- (iii) Freight Subsidy on SSP, which is an indigenously manufactured fertilizer, is applicable since Kharif, 2022 to promote SSP usage for providing Phosphatic or 'P' nutrient to the soil.

(d) & (e): Yes. The Economic Survey 2024-25 states that the Indian agriculture sector provides livelihood support to about 46.1 per cent of the population and has a share of 16 per cent in the country's GDP at current prices. Fertilizers, water and seeds are vital inputs for achieving higher agricultural production in the country. Government has undertaken various efforts as mentioned in above paras during the last decade due to which the total all fertilizer production has increased from 385.39 LMT in 2014-15 to 503.35 LMT in 2023-24.
