

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 1784 TO BE ANSWERED ON: 05.08.2025

Dependence on import of essential fertilizers

1784. SHRI CHANDRAKANT DAMODAR HANDORE:

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

- (a) whether it is a fact that the country imports 80 per cent of specialty fertilisers used in agriculture from China, if so, the details thereof;
- (b) whether it is also a fact that farmers are struggling with shortages of essential fertilisers, urea and DAP and if so, the reasons therefor;
- (c) whether it is also a fact that we have overly dependent on China for urea and DAP, if so, the reasons therefor; and
- (d) whether it is also a fact that Government has failed to formulate a policy or plan to promote domestic production of fertilisers?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a): In Fertilizer Control Order, 1985 there is no classification as specialty fertilizer. However, 100 % water soluble complex fertilizer and 100 % water soluble mixture of fertilizer category are there which are mainly used in cash crops and horticulture crops. None of these fertilizer are subsidized fertilizers within the ambit of Nutrient Based Subsidy (NBS) Scheme administered by Department of Fertilizers. Against annual consumption of Water Soluble Fertilizers of around 3.35 LMT (2023-24), a significant quantity is imported from China as well as alternative suppliers like Belgium, Egypt, Germany, Morocco & USA. However, fertilizer companies are free to import P&K fertilizers as per their business dynamics.

(b): The availability of all essential fertilizers, including Urea and DAP, has remained adequate across the country during the ongoing Kharif-2025 season.

(c): India being a resource scarce country, the indigenous production of fertilizers does not commensurate with the requirement in the country. The gap is fulfilled through imports. The details of production, consumption and import of Urea and DAP including import from China during last three years are given below:-

Urea				fig. in LMT
Year	Consumption	Production	Total Import	Import from China
2022-23	357.25	284.94	76.13	12.80
2023-24	357.80	314.09	71.04	18.65
2024-25	387.92	306.67	56.46	0.99

DAP				fig. in LMT
Year	Consumption	Production	Total Import	Import from China
2022-23	105.31	43.50	68.72	12.17
2023-24	109.72	42.96	56.71	22.28
2024-25	96.29	37.72	49.72	08.47

(d): 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 Matix Fertilizers 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. Recently, the Union Cabinet has approved the proposal for setting up of a new Brownfield Ammonia-Urea Complex of 12.7 Lakh Metric Tonnes (LMT) annual capacity of Urea production within the existing premises of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL), Namrup, Assam.

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. During 2024-25, 306.67 LMT of Urea was produced in the country.

In case of Phosphatic & Potassic fertilizers (P&K), the companies are free to import /produce fertilizer raw materials, intermediaries and finished fertilizers as per their business dynamics. 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 and the number of P&K fertilizers covered under NBS policy has increased from 22 grades in 2021 to 28 grades at present with a view to boost manufacturing and make country self-reliant in fertilizer production. Also, freight Subsidy on SSP, which is an indigenously manufactured fertilizer, has been made applicable since Kharif 2022 to help in promotion of SSP usage for providing Phosphatic or "P" nutrient to the soil. These steps have facilitated increase in production of P&K fertilizers from 159.54 LMT in 2014-15 to 211.22 LMT in 2024-25.
