

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 3542 TO BE ANSWERED ON: 24.03.2026

DOMESTIC UREA PRODUCTION CAPACITY

**3542. SHRI BRIJ LAL:
SMT. KIRAN CHOUDHRY:
SHRI MITHLESH KUMAR:
SHRI ASHOKRAO SHANKARRAO CHAVAN:
SHRI KESRIDEVSINH JHALA:
DR. ANIL SUKHDEORAO BONDE:
SHRI AMAR PAL MAURYA:
SMT. DARSHANA SINGH:
SHRI SUBHASH BARALA:
SHRI RYAGA KRISHNAIAH:
SHRI NARHARI AMIN:
SHRI SADANAND MHALU SHET TANAVADE:**

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

- (a) the current installed capacity of urea production in the country including Uttar Pradesh and the percentage of domestic demand met through domestic production;
- (b) whether Government has undertaken modernisation or revival of closed fertilizer plants under the new urea policy, if so, the details of the same;
- (c) the number of new fertilizer plants commissioned in the last five years in the country including Uttar Pradesh;
- (d) whether Government proposes to encourage private investment in fertilizer manufacturing, if so, the details thereof; and
- (e) the steps taken to reduce India's dependence on imported urea?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) : At present, there are 33 Urea manufacturing units in the country with total production capacity of 269.42 LMT per annum. The details of the domestic demand of Urea and domestic production of Urea during 2024-25 and 2025-26 (upto February, 2026) in the country are given as under:

Domestic Demand of Urea and Domestic production of Urea			
(Figures in LMT)			
Year	Demand of Urea (a)	Urea Production (b)	Percentage (b/a)*100
2024-25	364.01	306.67	84.25%
2025-26 (Up to February 2026)	366.50	275.75	75.24%

(b) to (e) : 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) at Gorakhpur in Uttar Pradesh, Sindri in Jharkhand and Barauni in 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. Both are under execution.

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.