

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

UNSTARRED QUESTION NO. 355 TO BE ANSWERED ON: 03.02.2026

Revival of closed urea plants and roadmap for urea self-sufficiency

355: SHRI A. D. Singh:

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

- (a) the progress made in reviving closed urea plants under the New Investment Policy;
- (b) the current volume of urea imports and the roadmap to achieve self-sufficiency; and
- (c) whether any new urea production units are being commissioned or planned and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a) 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 which will be named as Assam Valley Fertilizer and Chemical Company Ltd. (AVFCCL). These two projects are under execution phase.

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.

(b) The details regarding year-wise Urea imported in the country for the last 2 years and current year is as under:

Year	Imported Urea (in LMT)
2023-24	70.42
2024-25	56.47
2025-26 (up to December 2025)	79.97

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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.

(c) 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. Overall project progress is 70.63% till 31st December, 2025.

The Cabinet in its meeting held on 19.03.2025 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, at an estimated total project cost of Rs.10601.40 Crores with Debt Equity ratio of 70:30 through a Joint Venture (JV), under the New Investment Policy, 2012 read with its amendments on 7th October, 2014. BVFCL's 11% share is in lieu of tangible assets to be transferred to the Joint Venture company. The tentative overall time schedule for commissioning of the Project is 48 months.

A Joint Venture Company, namely, Assam Valley Fertilizer and Chemical Company Limited (AVFCCL) has been incorporated for implementation of the project.

Hon'ble Prime Minister has laid the foundation stone of Ammonia-Urea Fertilizer Project of Assam Valley Fertilizer and Chemical Company Limited at Namrup in Dibrugarh, Assam on 21.12.2025.

The Namrup-IV Fertilizer plant has been envisaged for strengthening fertilizer security in the North-Eastern region and enhancing domestic urea self-reliance. It will add energy-efficient urea production capacity, bridge domestic demand–supply gap, utilise nearby natural gas resources, and stimulate industrial and economic development in the North Eastern Region.
