

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

LOK SABHA

UN STARRED QUESTION NO. 2898 TO BE ANSWERED ON: 17.03.2023

Ammonia urea plants

2898 SH. VIJAYAKUMAR (ALIAS) VIJAY VASANTH:

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

- (a) whether the Government has taken any action to setup ammonia urea plants to meet the domestic demands across the country;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the amount of funds allocated in this regard to meet the production target and demand of ammonia urea across the country during the last three years, year-wise;
- (d) whether the Government has plans to control the fertilizer prices under Nutrient Based Subsidy (NBS) and if so, the details thereof, fertilizer-wise?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

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(a) & (b): Government had announced New Investment Policy (NIP) – 2012 on 2<sup>nd</sup> January, 2013 and its amendment on 7<sup>th</sup> October, 2014 to facilitate fresh investment in the urea sector and to make India self sufficient in the urea sector. Total 6 new ammonia urea units have been set up under NIP – 2012. These are Panagarh (West Bengal) urea unit of Matix Fertilizers and Chemicals Ltd. (Matix); Gadepan-III (Rajasthan) urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL); Ramagundam (Telangana) urea unit of Ramagundam Fertilizers and Chemicals Ltd.(RFCL); and 3 urea units namely Gorakhpur (Uttar Pradesh), Sindri (Jharkhand) and Barauni (Bihar) of Hindustan Urvarak & Rasayan Limited (HURL). Each of these units have the installed urea production capacity of 12.7 Lakh Metric Tonne per annum. Therefore, these units have together added 76.2 LMT per annum in the existing indigenous urea production capacity of the country.

Further, an exclusive policy has been notified on 28<sup>th</sup> April 2021 for the revival of Talcher (Odisha) unit of FCIL by setting up a new greenfield urea plant of 12.7 LMT per annum urea production capacity through coal gasification route.

(c): The demand, production, import and total subsidy expenditure incurred by the Government on urea in the last three years is as under: -

Sl No.	Year	Demand of urea (LMT)	Production (LMT)	Import (LMT)	Subsidy on urea (₹ in crores)
1	2019-20	335.26	244.55	91.23	57099.00
2	2020-21	350.64	246.03	98.28	93857.03
3	2021-22	356.53	250.71	91.36	104870.12

(d). No Sir. At present, there is no plan to control the fertilizer prices of P&K fertilizers under the Nutrient Based Subsidy (NBS) scheme . However, the NBS rates are fixed keeping in view the international prices of finished fertilizers as well as its raw materials, prevailing exchange rates etc. so that these fertilizers are made available at affordable rates to farmers. Further, the MRP of P&K fertilizers need to be fixed at reasonable level by fertilizer companies. The reasonableness of MRPs of P&K fertilizers are monitored / examined by the Government.

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