

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 291 TO BE ANSWERED ON: 03.02.2023

Increase in Domestic Production of Fertilizers

**291: SHRIMATIVANGA GEETHA VISWANATH:
SHRI JUAL ORAM:**

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

- (a) the steps taken by the Government to increase the domestic production of fertilizers;
- (b) whether the Government proposes to set up new fertilizer plants for the production of fertilizers to meet the demand of chemical fertilizers in the country;
- (c) if so, the details thereof, state-wise and if not, the reasons therefor;
- (d) whether the Government proposes to set up any such plants in Andhra Pradesh and Odisha; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR CHEMICALS & FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) to (c): With regard to urea fertilizer, 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. These are Panagarh urea unit of Matix Fertilizers and Chemicals Ltd. (Matix) in West Bengal; Gadepan-III urea unit of Chambal Fertilizers and Chemicals Ltd. (CFCL) in Rajasthan; 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. Each of these units has 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. At present, there are 36 urea manufacturing units located across the country.

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

The Government has also notified New Urea Policy (NUP) – 2015 on 25th May, 2015 with one of the objectives of maximizing indigenous urea production. NUP-2015 has led to additional production of urea by 20-25 LMTPA as compared to the production during 2014-15.

Further, Department of Fertilizers is encouraging its PSUs for setting up Nano Urea plants. Till date, 3 Nano Urea plants have been set up by Indian Farmers Fertilizer Cooperative (IFFCO) at Kalol (Gujarat), Phulpur (Uttar Pradesh) and Aonla (Uttar Pradesh) with capacity of 17 crore bottles (500 ml) per annum.

Further, P&K fertilizers are decontrolled under the Nutrient Based Subsidy (NBS) scheme. However, the Govt. of India has taken following steps in the direction of increasing the domestic production of P&K fertilizers:

- (i) Department of Fertilizers (DoF) granted permission to produce DAP/NPK fertilizers to Madhya Bharat Agro product Limited Unit-II, Banda Sagar, Madhya Pradesh for production of 2,40,000 MT per annum.
- (ii) DoF granted permission to produce DAP/NPK fertilizers to Krishna Phoschem Ltd., Meghnagar, Madhya Pradesh for production of 3,30,000 MT per annum.
- (iii) A proposal had been received from Rashtriya Chemicals and Fertilizers Limited(RCF) for setting up a NPK plant at Thal (Maharashtra) from its own resources and no financial assistance would be provided by the Government of India. Department of Fertilizers has granted administrative approval for this project on 15.11.2021.
- (iv) Further, Union Cabinet accorded approval for CAPEX worth Rs. 608 Crore for implementing essential capital jobs with a view to enhance the reliability of Fertiliser production plants.

(d)& (e): Yes, Sir. An exclusive policy has been notified on 28th April, 2021 for the revival of Talcher unit of FCIL located in Angul district of Odisha by setting up a new greenfield urea plant of 12.7 LMT per annum through coal gasification route. However, there is no proposal under consideration for setting up fertilizer plant in Andhra Pradesh, at present.
