

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 3291 TO BE ANSWERED ON: 05.08.2022

Promotion of Research and Innovation

3291: SHRI MOHANBHAI KALYANJI KUNDARIYA:
SHRI ANIL FIROJIYA

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

- (a) the steps taken/proposed to be taken by the Government to strengthen the participation of industry and academia for promoting research and innovation in the fertilizer sector;
- (b) if so, the details thereof;
- (c) the steps taken by the Government to support and make India self-reliant; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS

(SHRI BHAGWANTH KHUBA)

(a) & (b): The Government of India (GoI) is encouraging new innovative products in the fertilizer sector. GoI is including innovative new fertilizers in Fertilizer Control Order (FCO) – 1985 by on the basis of agronomic efficacy data.

GoI has incorporated soil specific and crop specific customized fertilizers, Nano fertilizer, Micronutrient fertilizer, Beneficial element fertilizer, liquid fertilizer, fortified fertilizer etc. in the FCO – 1985.

(c) & (d): India is 90% import dependent in case of Phosphate, either on raw material or finished fertilizer and 100% in case of Potash at present. However, the Govt. of India has taken following steps to increase the domestic production of fertilizers and make it self-reliant:

Long Term Agreement:

Various efforts by DoF to ensure regular and sufficient supply of DAP and its raw materials to India at reasonable prices from various countries which is an ongoing process.

Other efforts made :

- a. DoF granted permission to Madhya Bharat Agro product Limited Unit-II, Banda Sagar, MP for production of 1,20,000 MT per annum.

- b. Paradeep Phosphates Ltd is expected to manufacture additional DAP/NPK complex to the tune of 8 LMT per annum utilizing the 2 trains of ZACL Goa Plant.
- c. A new DAP/NPK Plant by RCF with annual capacity of 5 LMT and investment of 950 crore in Thal is expected to start production in 2024.
- d. A new DAP/NPK Plant by FACT with annual capacity of 5.5 LMT at a cost of Rs 537 cr. Commissioning in June 2024.
- e. Potash Derived from Molasses (0-0-14.5-0), which is a 100% indigenously manufactured fertilizer, has been included under NBS scheme.

Further, under New Investment Policy (NIP) – 2012, Matix Fertilizers and Chemicals Ltd. and Chambal Fertilizers and Chemicals Ltd. (CFCL) have set up urea plants of 12.7 Lakh Metric Ton per annum (LMTPA) capacity each at Panagarh-West Bengal and Gadepan-Rajasthan (Gadepan-III). Also, Government of India has mandated revival of Ramagundam (Telanagana), Gorakhpur (UP), Sindri (Jharkhand) and Talcher (Odisha) units of Fertilizer Corporation of India (FCIL) and Barauni (Bihar) Unit of Hindustan Fertilizer Corporation Ltd (HFCL) through Joint Venture Company (JVC) of nominated PSUs by setting up new ammonia-urea plants of 12.7 LMTPA capacity each. Out of these five plants, Ramagundam and Gorakhpur plant have already been commissioned. Also, a new urea plant of 8.646 LMTPA capacity in the existing premises of Brahmaputra Valley Fertilizers Corporation Limited (BVFCL) has been approved.

In addition to above, the Government of India has also notified the New Urea Policy (NUP) – 2015 on 25th May, 2015 for existing 25 gas based urea units with the objective of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government. The implementation of NUP-2015 has led to additional production from the existing gas based urea units due to which the actual production of urea has increased by 20-25 LMTPA in comparison to the actual production during 2014-15.

Predicting the demand-supply gap and increased price of the imported urea, in 2021-22 one-time permission was granted to the urea units set up under the new investment policy and the units converted recently from naphtha to natural gas as feedstock to produce beyond their annual installed capacity. This helped additional production of 1.51 Lakh Metric Ton (LMT) of Urea. Further, urea unit of Matix Fertilizers and Chemicals Limited (Matix) in Panagarh had been lying shutdown since November 2017 was facilitated in restarting its production. Matix restarted production in September 2021 and produced 6.29 LMT urea during 2021-22. Further, Department of Fertilizers by means of various review meetings from time to time instructed all the urea units not to take any planned shutdown and optimize their urea production. These measures together led to the urea production of 250.72 LMT during 2021-22 which is the highest production, so far.
