

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

STARRED QUESTION NO. 66* TO BE ANSWERED ON: 26.07.2024

PROMOTION OF INDIGENOUS PRODUCTION OF FERTILIZERS

+*66: SHRI CHANDRA PRAKASH JOSHI:
SHRI RODMAL NAGAR:

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

- (a) the efforts being made by the Government to promote indigenous production of fertilizers in the country;
- (b) whether the Government has proposed any new scheme to promote indigenous technology in fertilizer sector so as to make the country self-reliant in this sector;
- (c) whether the Government has proposed any new scheme for research and development in the fertilizer sector in Rajasthan and Madhya Pradesh;
- (d) if so, the details thereof;
- (e) whether any scheme for setting up of any new fertilizer units in Chittorgarh and Rajgarh Parliamentary Constituency is under consideration; and
- (f) if so, the details thereof?

ANSWER

MINISTER FOR CHEMICALS & FERTILIZERS AND HEALTH & FAMILY WELFARE

(SHRI JAGAT PRAKASH NADDA)

(a) to (f): A statement is laid on the table of the House.

STATEMENT REFERRED TO LOK SABHA STARRED QUESTION NO. *66 FOR ANSWERING ON 26.07.2024 REGARDING 'PROMOTION OF INDIGENOUS PRODUCTION OF FERTILIZERS' ASKED BY SHRI CHANDRA PRAKASH JOSHI AND SHRI RODMAL NAGAR.

(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 of 76.2 LMTPA thereby total production urea production capacity has increased from 207.54 LMTPA during 2014-15 to 283.74 LMTPA at present. 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. 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. The NUP-2015 has led to additional production of urea by 20-25 LMTPA as compared to the production during 2014-15. These steps together have facilitated increase of Urea production from level of 225 LMT per annum during 2014-15 to a record Urea Production at 314.09 LMT during 2023-24.

With regard to P&K Fertilizers, the Government has implemented Nutrient Based Subsidy Policy w.e.l. 1.4.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the policy, a fixed amount of subsidy, decided on annual/bi-annual basis, is provided on notified P&K fertilizers depending on their nutrient content. Under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level which is monitored by the Government. The Government has taken following steps to make country self-reliant in fertilizer production:

(i) Based on examination of requests received, permissions are granted to the fertilizer companies for increasing their manufacturing capacity which are under NBS and for induction of new P&K companies & their fertilizer products under NBS, with a view to boost manufacturing and make country self-reliant in fertilizer production.

(ii) Potash derived from Molasses (PDM) which is 100% indigenously manufactured fertilizer has been notified under Nutrient based subsidy (NBS) regime w.e.f 13.10.2021.

As a result of these steps, production of DAP has increased from 38.99 LMT in 2018-19 to 42.93 LMT in 2023-24, while during the same period, the production of NPKs has increased from 89.98 LMT to 95.48 LMT by 22 P&K fertilizer manufacturing units. Similarly, production of SSP increased from 40.72 LMT in 2018-19 to 44.44 LMT in 2023-24 by 104 SSP manufacturing units.

(b) : No. There is no such scheme.

(c) & (d): No. There is no such scheme.

(e) & (f): No. There is no such scheme.
