

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 3213 TO BE ANSWERED ON : 13.12.2024

Demand and Production of Urea

3213. SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH:
SHRI SANJAY DINA PATIL:
SMT. SUPRIYA SULE:
PROF. VARSHA EKNATH GAIKWAD:
SHRI BAJRANG MANOHAR SONWANE:
SHRI AMAR SHARADRAO KALE:
DR. AMOL RAMSING KOLHE:
SHRI NILESH DNYANDEV LANKE:
DR. SANJAY JAISWAL:
SHRI BHASKAR MURLIDHAR BHAGARE:

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

- (a) the demand and production for urea in the country indicating the policies formulated to encourage its production and the role of private sector participation envisaged in these policies;
- (b) whether the Government is incentivizing the establishment of new urea manufacturing plants, if so, the details thereof and the expected outcomes in terms of expansion of its domestic production capacity;
- (c) whether the Government has revived or plans to revive closed urea manufacturing plants;
- (d) if so, the details, including their locations and current status thereof;
- (e) whether the Government plans to adopt green hydrogen or other sustainable technologies in urea production and if so, the details thereof; and
- (f) the steps taken by the Government to ensure equitable supply of these across States?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS
(SMT. ANUPRIYA PATEL)

(a) to (b): During 2023-24 the demand for Urea stood at 356.08 LMT and production of Urea stood at 314.09 LMT. 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 at present.

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. 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.

(c) to (d) : Government mandated the revival of Ramagundam (Telangana), Gorakhpur (Uttar Pradesh), 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 for setting up new ammonia-urea plants of 12.7 LMT per annum capacity each. Ramagundam, Gorakhpur, Barauni and Sindri units have started urea production on 22.03.2021, 07.12.2021, 18.10.2022 and 05.11.2022 respectively.

(e): As per the National Green Hydrogen Mission (NGHM), there is no such proposal.

(f): The following steps are taken by the Government every season for ensuring timely and adequate supply of fertilizers in the country:

i. Before the commencement of each cropping season, Department of Agriculture and Farmers Welfare (DA&FW), in consultation with all the State Governments, assesses the state-wise & month-wise requirement of fertilizers.

ii. On the basis of requirement projected, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability.

iii. The movement of all major subsidized fertilizers is monitored throughout the country by an on-line web based monitoring system called Integrated Fertilizer Monitoring System (IFMS);

iv. Regular Weekly Video Conference is conducted jointly by DA&FW and Department of Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.

v. The gap between demand (requirement) and production of fertilizers is met through imports. The import for the season is also finalized well in advance to ensure timely availability.
