

**GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS**

LOK SABHA

UNSTARRED QUESTION NO. 2441 TO BE ANSWERED ON 13.02.2026

Import of Urea

2441: Shri K E Prakash:

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

- (a) whether the Government has taken note of the data of the Fertilizer Association of India indicating that Urea imports more than doubled to about 7.17 million tonnes during April-November 2025-26 compared to the corresponding period of the previous year, while domestic Urea production declined during the same period, if so, the details thereof;
- (b) the reasons for the decline in domestic Urea production despite repeated assurances of achieving self-reliance in fertilizers;
- (c) whether the increasing dependence on Urea imports has led to price pressures and exposes the farmers in the country to global supply disruptions and volatility, if so, the details thereof;
- (d) whether the Government has taken note of the impact of higher Urea prices on farmers in agrarian constituencies, including Erode Parliamentary Constituency in the State of Tamil Nadu, if so, the details thereof; and
- (e) the policy measures being taken to stabilise prices, enhance domestic Urea production capacity and reduce import dependence in a time-bound manner?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a): The details of the production and import of Urea in the country during April-November 2024-25 and April-November 2025-26 are tabulated below:

Year	Production of Urea (in LMT)	Import of Urea (in LMT)
2024-25 (Apr-Nov)	205.21	32.55
2025-26 (Apr-Nov)	197.61	71.71

(b): The two units of Nagarjuna Fertilizers and Chemicals Ltd. (NFCL-Unit I & II) at Kakinada with each having a production capacity of 5.97 LMT per annum are under shutdown w.e.f 5th June 2024 and 1st June 2024 respectively on account of purchasing of Ammonia-Urea assets of NFCL by AM Green Ammonia (India) Private Ltd. under SARFEASI process from Asset Reconstruction Enterprise Private Ltd. (ACRE).

Further, the Kanpur Fertilizers and Chemicals Ltd. (KFCL)-Kanpur with a production capacity of 7.22 LMT per annum is under shutdown w.e.f 1st April 2025.

(c) to (e): Under the Urea Subsidy Scheme, Urea is provided to the farmers at a statutorily notified Maximum Retail Price (MRP). The MRP of 45 kg bag of urea is Rs.242 per bag (exclusive of charges towards neem coating and taxes as applicable). The difference between the delivered cost of urea at farm gate and net market realization by the urea units is given as subsidy to the urea manufacturer/importer by the Government of India. Accordingly, all farmers across the country are being supplied urea at the subsidized rate.

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 during 2023-24. . 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. Recently, the Union Cabinet has approved the proposal for setting up of a new Brownfield Ammonia-Urea Complex of 12.7 Lakh Metric Tonnes (LMT) annual capacity of Urea production within the existing premises of Brahmaputra Valley Fertilizer Corporation Limited (BVFCCL), Namrup, Assam which will be named as Assam Valley Fertilizer and Chemical Company Ltd. (AVFCCL).

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.

Above steps together have facilitated increase of Urea production from level of 225 LMT per annum during 2014-15 to a record Urea Production at 314.07 LMT during 2023-24. During 2024-25, 306.67 LMT of Urea was produced in the country.
