

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UN-STARRED Question No. **2193** TO BE ANSWERED ON **31.07.2026**

Fertilizer Capacity Expansion in Odisha

2193. Smt. Sangeeta Kumari Singh Deo:

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

- (a) whether the Government has undertaken any assessment for expanding domestic urea and phosphatic & potassic (P&K) fertilizer manufacturing capacity in eastern India to strengthen long-term fertilizer security and reduce logistics costs, if so, the details thereof;
- (b) whether in view of its post infrastructure, mineral resources and industrial ecosystem, Odisha has been identified for establishment/expansion of fertilizer manufacturing units or associated downstream facilities, if so, the details thereof;
- (c) the measures being taken to strengthen fertilizer storage, distribution infrastructure and advance buffer stocking in the said State, particularly for the Kharif season; and
- (d) the details of investments proposed by the Government and Public Sector Undertakings to strengthen the fertilizer value chain and promote Atmanirbhar Bharat in the sector in the said State?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SMT. ANUPRIYA PATEL)

(a), (b) and (d): To enhance the domestic urea production, 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 269.42 LMTPA during 2026-27. Further, an exclusive policy for the revival of Talcher unit of FCIL in Odisha 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. Further, setting up of a new Brownfield Ammonia-Urea Complex named as Assam Valley Fertilizer and Chemical Company Ltd. (AVFCCL) with an annual capacity of 12.7 Lakh Metric Tonne of Urea through Joint Venture within the existing premises of Brahmaputra Valley Fertilizer Corporation Limited (BVFCL), Assam has been approved. These two projects are under execution phase.

Also, the Government 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 2025-26, 293.30 LMT of Urea was produced in the country.

In addition to this, on 15.07.2026, CCEA approved National Investment Policy for Urea-2026 for Aatmanirbhar Bharat (NIPU-2026) for making fresh investments in Urea Sector.

Further, with regard to P&K Fertilizers, the Government has implemented Nutrient Based Subsidy (NBS) Scheme w.e.f. 01.04.2010 for Phosphatic and Potassic (P&K) Fertilizers. Under the NBS Scheme, P&K fertilizers are covered under Open General License (OGL) and companies are free to import/ manufacture these fertilizers/raw

materials as per their business dynamics. The NBS scheme is implemented uniformly on pan-India basis including state of Odisha and no regional differentiation is made.

To reduce dependence on imported Phosphatic fertilizers and make country self-reliant measures have been taken to encourage domestic production through guidelines 18.01.2024 on reasonableness of MRP, wherein importers/ manufacturers and integrated manufacturers are given reasonable profit of 8%, 10% and 12% respectively; based on the requests, the new manufacturing units or increase in manufacturing capacity of existing units have been recognized / taken on record under the NBS Scheme; the number of P&K fertilizers covered under NBS Scheme has increased from 22 grades in 2021 to 28 grades; Freight Subsidy on SSP, which is an indigenously manufactured fertilizer, is being provided since Kharif, 2022 to promote SSP usage for providing Phosphatic or 'P' nutrient to the soil. Further the rates of nutrients under NBS scheme are decided on biannual basis to ensure availability of fertilizers under the Scheme.

(c): 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.

On the basis of requirement projected by DA&FW, D/o Fertilizers allocates adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability. The availability of fertilizers has remained adequate across the States during the ongoing Kharif 2026 season.

Further, the details regarding the requirement, availability, sales and buffer stock (closing stock) of fertilizers, viz. Urea, DAP, MOP, and NPKS during the ongoing Kharif 2026 season in the State of Odisha are as under:

ODISHA					
AVAILABILITY OF FERTILIZERS DURING THE ONGOING KHARIF 2026 (FROM 01.04.26 TO 26.07.26)					
fig. in LMT					
S. No.	Product	Requirement	Availability	DBT Sales	Closing Stock as on 26.07.26
1	UREA	2.97	4.29	1.93	2.36
2	DAP	1.33	1.60	0.91	0.70
3	MOP	0.59	0.79	0.24	0.55
4	NPKS	1.82	2.28	0.94	1.34