



India Achieving Record Fertilizer Production; Indigenous Urea Capacity Surges to 283.74 LMTPA Under Atmanirbhar Bharat Initiatives

Government Ensures Flexibility in P&K Fertilizers Supplies Through Nutrient Based Subsidy (NBS) Scheme

Posted On: 24 MAR 2026 6:07PM by PIB Delhi

The Government of India has taken significant measures to reduce import dependence in the fertilizer sector by enhancing domestic production capacity and securing long-term raw material supply. In a written reply to a question in the Rajya Sabha today, Smt. Anupriya S. Patel, MoS Chemicals & Fertilizers, informed that under the New Investment Policy (NIP)-2012 and its amendment in 7th October, 2014 six new urea units have been established, including four joint venture units of public sector undertakings and two units by private companies. Together, these units have added 76.2 lakh metric tonnes per annum (LMTPA) of urea production capacity, raising the total indigenous capacity from 207.54 LMTPA in 2014-15 to 283.74 LMTPA in 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 (BVFCL), Namrup, Assam namely 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.

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

To reduce dependence on imported Phosphatic fertilizers and make country self-reliant the following measures have been taken by the Government:

- I. D/o Fertilizers has issued guidelines 18.01.2024 to ensure reasonableness of MRP and encourage domestic production.
- II. 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.
- III. The number of P&K fertilizers covered under NBS policy has increased from 22 grades in 2021 to 28 grades.
- IV. Freight Subsidy on SSP, which is an indigenously manufactured fertilizer, has been approved since Kharif, 2022 to promote SSP usage for providing Phosphatic or 'P' nutrient to the soil.

Further, to strengthen supply security for the import of raw materials, Government facilitates Indian fertilizer companies in entering into Long Term Agreements (LTAs) and Memoranda of Understanding (MoUs) with resource-rich countries. In line with the above, Indian companies have secured agreements for 2025-26 covering Rock Phosphate from Jordan, Morocco, Togo, and Mauritania; Phosphoric Acid from Morocco, Tunisia, and Senegal; and Ammonia from Saudi Arabia, Oman, Japan, and Malaysia.

The details of the domestic production of Urea, DAP and other fertilizers under import substitution initiatives during the last three years, year-wise is as below:

YEAR-WISE PRODUCTION OF MAJOR FERTILIZERS

Production		(Fig. in LMT)		
YEAR	Urea	DAP	SSP	NPKs
2022-23	284.94	43.47	56.44	100.40
2023-24	314.09	42.93	44.44	101.85
2024-25	306.67	37.69	52.44	121.05

The availability of fertilizers viz. Urea, DAP, MOP and NPK has remained adequate in the country during the last three FYs i.e. 2022-23, 2023-24 and 2024-25 and current year 2025-26. The information regarding requirement, availability and sales of these fertilizers during the said period is placed at **Annexure**.

Further, 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 by DA&FW, D/o Fertilizers allocates 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 Management System (iFMS).
- IV. Regular Weekly Video Conference is conducted jointly by DA&FW and D/o Fertilizers with State Agriculture Officials and corrective actions are taken to dispatch fertilizers as indicated by the State Governments.
- V. The distribution of fertilizers within the State is done by the respective State Government.

Annexure

ANNEXURE referred to in reply to part (c) of Rajya Sabha Unstarred Q. No. 3550 for answering on 24/03/2026

ALL INDIA							
REQUIREMENT, AVAILABILITY & SALES OF FERTILIZERS							
Fig. in LMT							
S.No	State	UREA			DAP		
		Requirement	Availability	DBT Sales	Requirement	Availability	DBT Sales
1	2025-26 (Till 18.03.26)	375.18	439.87	387.51	109.39	120.41	98.57
2	2024-25	364.01	443.83	387.92	111.92	105.14	96.29

3	2023-24	356.08	437.47	357.81	110.18	127.42	109.73
4	2022-23	359.19	415.82	357.26	114.20	130.93	105.31

1. Indicator of comfortable availability: Availability > Requirement
2. Secondary Indicator of comfortable availability: Availability > Sales

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