

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

STARRED QUESTION NO:28
ANSWERED ON:30.11.1999
PRODUCTION OF UREA. .
UTTAMRAO NATHUJI DHIKALE

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

- (a) whether the cost of production of urea has been costlier;
- (b) if so, the reasons therefor;
- (c) whether the fertilizer subsidy is likely to overshoot budget estimate;
- (d) if so, the steps taken by the Government in this regard ?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SURESH P. PRABHU)

(a) to (d): A statement is laid on the Table of House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 28 to be answered on 30.11.99.

(a) & (b): The cost of production of urea has increased mainly on account of increase in the prices of inputs like naphtha, fuel oil, LSHS and Natural Gas during the last three years.

(c) & (d): The budget provision of Rs. 8,000 crore in the financial year 1999-2000 is proposed to be suitably enhanced in order to meet the additional requirements of the higher outgo of subsidy on account of the reasons indicated above.