

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

UNSTARRED QUESTION NO:4478
ANSWERED ON:24.04.2008
SELF SUFFICIENCY IN THE PRODUCTION OF UREA
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the present status regarding self-sufficiency in the production of urea along with the status of achievements of the target of fertilizer production during the Tenth Five Year Plan;
- (b) the obstacles identified in achieving the said target; and
- (c) the details of the works to be undertaken for self-sufficiency in the future and the requirement of estimated amount for this purpose?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF MINES. (SHRI B.K. HANDIQUE)

(a) to (c): The present status of total installed capacity of operational urea units in the country, its production and sales during the Tenth Five Year Plan is as below

LMT

Year	Installed capacity	Production	Sales
2002-03	197.00	187.26	186.4
2003-04	197.00	192.03	195.8
2004-05	197.00	202.63	205.47
2005-06	197.00	200.98	221.91
2006-07	197.00	203.08	244.85

It can be seen from the table above that the production of urea in the country has been more than 100% of the installed capacity from 2004-05 onwards. The country is no longer self-sufficient in urea production as in 2002-03, as there has been no new investment in this sector for the last ten years. The production capacities have remained stagnant whereas the consumption of urea has increased sharply over the last few years, in order to bridge the gap between the rising demand and stagnant production in the country, the Government is in the process of finalising a new policy for attracting investments in this sector. In addition, the Government is also looking into the feasibility of revival of closed units of FCIL and HFCL to meet the increasing demand of urea in the country.