

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

UNSTARRED QUESTION NO:1259  
ANSWERED ON:03.03.2011  
FINANCIAL ASSISTANCE TO FERTILIZER COMPANIES  
Singh Shri Bhola

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

- (a) whether financial crisis has led to the closure of several Fertilizer companies in Bihar and Jharkhand;
- (b) if so, whether the Union Government has received any proposal from either of State Governments to provide financial assistance to the said companies; and
- (c) if so, the details thereof and the action taken by the Government thereupon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a): No, Madam. Fertilizer PSUs of Fertilizer Corporation of India Limited and Hindustan Fertilizer Corporation Limited in Bihar and Jharkhand were closed after a Govt. of India decision in 2002 due to a variety of reasons including obsolete technology, design and equipment deficiencies, power shortages, problems in industrial relations, surplus manpower and resource constraints.

(b) & (c): Do not arise.