

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

STARRED QUESTION NO:34
ANSWERED ON:09.08.2012
FERTILIZER IN NON AGRICULTURAL SECTORS
Saroj Shri Tufani

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

- (a) whether plywood resin manufacturers, textile and other industries are using fertilizers, especially urea, on a large scale;
- (b) if so, the details thereof;
- (c) whether the Government has taken any steps to check such non-agricultural use of fertilizers;
- (d) if so, the details thereof;
- (e) whether the black marketing of fertilizers is increasing due to utilization of fertilizers for non-agricultural sectors; and
- (f) if so, the steps being taken by the Government to check such cases?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (f): A statement laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO. 34 TO BE ANSWERED ON 9-8-2012 REGARDING FERTILIZER IN NON-AGRICULTURAL SECTORS.

(a) & (b): Only one complaint has been received regarding misuse of subsidized urea for manufacture industrial products and the same has been forwarded to all the State Governments for taking action against the culprits.

(c) & (d): Department of Fertilizers (DOF) has held series of meetings with State Governments as well as indigenous manufacturers/importers of fertilizers (especially Urea) and has sensitized them for stopping this misuse and to take action against the culprits. In addition, DOF have, from time to time. Written to Chief Secretaries/Secretary (Agriculture) of all the State Governments and advised them for suitable action against the culprits under the Fertilizer Control Order (FCO, 1985) and for gearing up their law enforcement agencies to prevent this misuse.

However, the sale of urea for non-agriculture usage is allowed with prior permission of the Central Government, in terms of the provisions laid down in the Fertilizer Control Order, 1985. Government of India is very careful for allowing sale of urea for non-agriculture purpose and has distinctly separated industrial grade urea from the category of fertilizer for fertilization of soil. The industries are presently procuring urea for non-agriculture usage from imported sources through the designated State Trading Enterprises (STEs) named in the Foreign Trade Policy of the Government of India or any other company who has obtained license from Director General Foreign Trade (DGFT) for import of urea for non-agricultural use. It is evident from the above that the Government of India has largely controlled the sale of urea for non-agriculture usage, as the only source for procurement of this product by the industries, is through imports, subject to fulfillment of all formalities in respect to the grant permission and license required in this regard. Therefore, sufficient checks and measures are maintained in sale of urea for non-agriculture usage.

(e) & (f): No, Madam. The Clause 4 (a) and Clause 21 of the Fertilizer Control Order (FCO) 1985 specifies the display of fertilizer stock position as well as statutory price i.e. maximum retail price (MRP). Any person violating this can be held liable and proceeded against under administrative/punitive measures as per the provisions of FCO and Essential Commodities Act (ECA). The State Governments as enforcement agencies are adequately empowered to take appropriate action against the offenders who indulge in any kind of malpractices including black marketing/hoarding etc.