

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

UNSTARRED QUESTION NO:2388

ANSWERED ON:04.08.2015

Diversion of Fertilizers

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

- (a) whether the Government is aware of the illegal diversion of subsidized urea and other fertilizers for industrial purpose;
- (b) if so, the details thereof and the number of cases reported and the action taken against the persons involved in such activities along with the estimated loss to the exchequer as a result thereof during each of the last three years and the current year, State/UT-wise;
- (c) whether the Government proposes to make mandatory neem coated urea for agricultural purposes;
- (d) if so, the details thereof along with the status of the said proposal;
- (e) whether the Government propose to produce neem coating 100% subsidized urea in the country and if so, the percentage of urea at present being neem coated; and
- (f) the time by which 100% neem coated urea is to be made available on subsidized rate?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS  
(SHRI HANSRAJ GANGARAM AHIR)

(a) & (b): There are reports of alleged diversion of subsidized urea meant for agricultural use to industrial users from some quarters. Government has declared fertilizer as an essential commodity under the Essential Commodities Act, 1955 and notified Fertilizer Control Order, 1985 and Fertilizer (Movement Control) Order, 1973. The State Governments have been empowered to take appropriate action to curb diversion of fertilizers and initiate action against the persons who violate these orders. Department of Fertilizers has, from time to time, written to the Chief Secretaries of various States and Ministry of Home Affairs to activate the enforcement agencies under their jurisdiction to take appropriate action to curb diversion.

As per reports made available by the State Governments, the details of number of cases reported during the last three years from various States are indicated below and action has already been initiated against them.

Name of State Year No. of cases

Gujarat 2012-13 2

2013-14 2

2014-15 3

Haryana 2012-13 1

2013-14 0

2014-15 1

Karnataka 2012-13 1

2013-14 0

2014-15 0

Maharashtra 2012-13 0

2013-14 1

2014-15 0

Tamil Nadu 2012-13 2

2013-14 0

2014-15 2

Other States/UTs 2012-13 to 2014-15 Nil

(c) to (f): Government through notification No. 12012/1/2015-FPP dated 25.05.2015 has instructed all indigenous producers of Urea to produce 100% Neem Coated Urea mandatorily for agricultural purposes. Only subsidized Urea is provided for agricultural purposes and in the month of July (upto 28.07.2015) total Production of Urea is 18.96 LMT out of which 18.91 LMT is neem coated urea which is almost 100%.

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