

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

UNSTARRED QUESTION NO:992
ANSWERED ON:22.11.2016
Demand & Supply Gap of Urea
Sundaram Shri P.R.

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

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

- (a) the per-capita use of Fertilizers per acre and the total requirement of Fertilizers, State-wise;
- (b) whether the Government is taking steps to check black-marketing of Fertilizers in the country, if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government has formulated any definite action plan to meet the supply and demand of urea and if so, the details thereof;
- (d) whether the Government proposes to start new plants in the interest of farmers and if so, the details thereof and if not, the reasons therefor; and
- (e) the details of fertilizer plants closed down in the country, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS
(SHRI MANSUKH L. MANDAVIYA)

(a): Statements showing State-wise/UT-wise per acre consumption of fertilizers and the total requirement of fertilizers in the country during the year 2014-15 and 2015-16 are enclosed at Annexure- I & II.

(b): 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 black-marketing 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 black-marketing. No report of black-marketing has been received from any state during the current year so far.

(c): Department of Agriculture, Cooperation and Farmers' Welfare had assessed the requirement of urea for the current Rabi season in consultation with all State Governments. Department of Fertilizers has prepared plan to fulfil the assessed requirement from indigenous production and through imports. On the basis of month-wise & state-wise projection given by DAC&FW, Department of Fertilizers allocates sufficient/ adequate quantities of fertilizers to States by issuing monthly supply plan and continuously monitors the availability through following system: -

(i) The movement of all major subsidized fertilizers is being monitored throughout the country by an on-line web based monitoring system (www.urvarak.co.in) also called as integrated Fertilizer Monitoring System –iFMS (erstwhileFMS);

(ii) The State Governments are regularly advised to coordinate with manufacturers and importers of fertilizers for streamlining the supplies through timely placement of indents for railway rakes through their state institutional agencies like Markfed etc.

(iii) Regular Weekly Video Conference is conducted jointly by Department of Agriculture & Cooperation and Farmers Welfare (DAC&FW), Department of Fertilizers (DoF), and Ministry of Railways with State Agriculture Officials and corrective actions are taken to dispatch fertilizer as indicated by the State Governments.

(iv) The gap between demand (requirement) and production is met by timely imports of Urea.

(d): Further, the Government has notified New Investment Policy- 2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in Urea sector and to make India self-sufficient in the Urea sector.

At present, there are following proposals for setting up of Greenfield projects with the Department of Fertilizers:

Company Projects Ownership State
Matix Fertilizers & Chemicals Limited,
Panagarh Greenfield Ammonia-Urea Fertilizers

Complex at Panagarh. Private West Bengal

Kanpur Fertilizers & Cement Limited
Greenfield Project at Jabalpur Private Madhya Pradesh

Further, Government has approved to revive five defunct fertilizer units of the Fertilizer Corporation of India Ltd (FCIL)/Hindustan Fertilizer Corporation Ltd. (HFCL) by setting up of new urea plants having capacity of producing 1.27 Million Metric Ton (MMT) Urea per annum at each of the five units namely Talcher, Ramagundam, Gorakhpur and Sindri units of FCIL and Barauni unit of the HFCL. Pre-Project activities for these units are currently going on. In addition to these five urea plants Government has also approved to establish a new brownfield Ammonia- Urea Complex in the existing premises of the BVFCL. The capacity of this plant will be 8.646 Lakh Metric Ton Per Annum.

(e): Details of fertilizer units of the Central Public Sector Undertakings which are lying closed down in country, PSU-wise along with the name of state in which the plant is located are as under:

I. The Fertilizer Corporation of India Limited (FCIL)

1. Sindri (Jharkhand)
2. Gorakhpur (Uttar Pradesh)
3. Talcher (Odisha)
4. Ramagundam (Telangana)
5. Korba (Chhattisgarh)

II. Hindustan Fertilizer Corporation Ltd. (HFCL).

1. Haldia (West Bengal)
2. Durgapur (West Bengal)
3. Barauni (Bihar)

III. The Fertilizers And Chemicals Travancore Limited

1. Cochin (Urea) Plant, (Kerala)

IV. Brahmaputra Valley Fertilizers Ltd. (BVFCL)

1. Namrup-I (Assam)"
