

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 860**  
**TO BE ANSWERED ON : 07.02.2017**

**Decline in the Production of Urea**

**860 SHRI VISHNU DAYAL RAM:**

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

- (a) whether there has been a sharp decline in the production of Urea and other fertilizers in the private sector companies during the last three years as compared to the targets fixed;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the details of the subsidy given to these companies during the said period ?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS, SHIPPING,  
ROAD TRANSPORT & HIGHWAYS**

(SHRI MANSUKH L. MANDAVIYA)

(a) & (b): The details of target and actual production of Urea & P&K fertilizers in the Private Sector companies during last three years are as under:-

(in 'LMT')

Year	Urea		P&K	
	Target	Production	Target	Production
2013-14	100.52	93.52	84.64	64.17
2014-15	105.37	93.05	91.00	69.26
2015-16	103.80	104.60	90.55	72.55

From the above table, it is seen that there was some shortfall in the production of Urea during 2013-14 and 2014-15 in the private sector due to non-availability of adequate Natural Gas. Production of Urea exceeded the target in 2015-16 following the announcement of New Urea Policy- 2015 with the objectives of maximizing indigenous urea production; promoting energy efficiency in the urea units; and to rationalize the subsidy burden on the Government.

Production of P&K fertilizers is less than target due to huge quantities of unsold stocks of P&K fertilizers in the field, temporary shutdown of some plants for maintenance and limitations on account of availability of raw materials. This is a temporary phenomenon.

The gap between demand (requirement) and production is met through import.

(c): Total subsidy granted to indigenous Urea producing units and total subsidy given for indigenous P&K Fertilizers units during the last three years are as under:-

**( Rupees in Crore)**

<b>Year</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
Total subsidy paid to indigenous urea producing units	26500.00	38200.01	38200.01
Total subsidy paid to indigenous P&K Fertilizers	15500.00	12000.00	11969.01

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