

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

**UNSTARRED QUESTION NO. 2426
TO BE ANSWERED ON 02.01.2018**

Urea Consumption

2426 SHRI SHRI V. ELUMALAI:

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

- (a) whether it is true that the Government has found innovative solutions to cut urea consumption, which can help to save about Rs. 6,000-7,000 crore in subsidy annually and if so, the details thereof;
- (b) whether Urea bags are likely to be made available in 45 Kg. instead of 50 Kg;
- (c) whether this steps is likely to lead to a significant change in the consumption pattern and also lead to sharp decline in costly urea imports and if so, the details thereof; and
- (d) whether the Government has set aside Rs. 14,000 crore for urea import in 2017-18 and if so, the details thereof?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(RAO INDERJIT SINGH)

(a) : With the objective of encouraging balanced use of fertilizers, Department of Fertilizers has made it mandatory for all the domestic producers of urea to produce 100% as Neem Coated Urea (NCU). Entire quantity of both indigenously produced urea and imported urea is being neem coated w.e.f 1st September, 2015 and 1st December, 2015 respectively. One of the primary benefits of Neem coating is slow release of urea which results in increased nitrogen use efficiency. Due to NUE, the consumption of NCU reduces as compared to normal urea.

(b) & (c) : In the light of increased effectiveness of NCU, Government of India vide notification dated 4th September, 2017, has decided to introduce 45 Kg. bag of urea in place of existing 50 Kg. bag and a period of six months have been given to urea units as lead time to ensure smooth implementation of the policy. Further, since farmers mostly assess the requirement of urea in terms of bags for agriculture purpose, it is estimated that the availability of urea in 45 Kg bags instead of 50 Kg bag may bring down consumption of Urea by 10%. The All India consumption of urea for the year 2014-15, 2015-16 and 2016-17 (Neem Coated Urea Consumption) has been 306.10 LMT, 306.35 LMT and 296.14 LMT respectively. The import of urea is based on demand supply gap dynamics.

(d) : Yes Madam, the Government of India has allocated Rs.14,000 Crore for Imported Urea in the Budgetary Estimates (BE) 2017-18.
