

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

UNSTARRED QUESTION NO:2456  
ANSWERED ON:19.03.2002  
PRODUCTION OF FERTILISERS  
ANANTA NAYAK

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

- (a) the target set and achievements made in the production of various kinds of fertilizers during the Ninth Plan;
- (b) whether the steps are being taken to achieve self-sufficiency in the fertilizers;
- (c) if so, the efforts made in this direction; and
- (d) the projectives made for the Tenth Plan?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a): Year-wise targets and production of nitrogenous and phosphatic fertilizers in nutrient terms during the Ninth Five Year Plan are given below:

(In Lakh MTs)

Year	Nitrogen		Phosphate	
	Target	Actual	Target	Actual
1997-98	96.11	100.86	28.60	29.76
1998-99	106.83	104.80	30.27	31.41
1999-2000	110.67	108.90	33.45	33.99
2000-2001	112.14	109.62	39.93	37.43
2001-02				

(Estimated) 116.59 108.03 49.30 39.45

(b)&(c):To encourage investment in the fertilizer sector and thus increase fertilizer production, the following facilities/concessions have been made available to the fertilizer industry by the Government at present:-

(i) As per the Industrial Policy Resolution dated 24th July, 1991, no licence is normally required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer plants anywhere in the country subject to environmental clearance. However, Public Sector Undertakings/Co-operative Societies under the administrative control of the Department of Fertilizers have to obtain approval of the Government before undertaking such capital expenditure beyond their delegated power.

(ii) Deemed Export Benefits to indigenous suppliers of capital goods to fertilizer projects provided such supplies are made under the procedure of International Competitive Bidding.

(iii) Reasonable return on investment to the entrepreneurs under the Retention Price-cum-Subsidy Scheme, at present applicable to existing urea capacity.

(iv) Concession on sale of decontrolled phosphatic and potassic fertilizers.

(v) Import of capital goods for setting up of new fertilizer plants/modernisation of existing units at a concessional rate of customs duty.

(d): As per the "Report of the Working Group on Fertilizers for the Tenth Plan", the following projections have been made for production of nitrogenous and phosphatic fertilizers in nutrient terms, assuming 100% capacity utilisation in existing plants:

(In Lakh MTs)

Year Nitrogen Phosphate

2002-03	120.58	52.31
2003-04	121.74	52.31
2004-05	121.74	52.31
2005-06	121.74	52.31
2006-07	129.28	52.31

The entire requirement of potassic fertilizers is met through imports as there are no known commercially viable sources of this fertilizer in the country.