

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2104
ANSWERED ON:04.08.2000
LEVY TARIFF ON FERTILIZER IMPORTS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether under the World Trade Organisation agreement, India has to dismantle its import wall within nine months:
- (b) if so, whether offset the loss to the domestic industry, India propose to stop quantitative restrictions and has decided to levy tariff on fertilizer imports; and
- (c) if so, the extent to which this decision has affected the fertilizer industry?

Answer

MINISTER OF COMMERCE & INDUSTRY (SHRI MURASOLI MARAN)

(a) India is committed to removing all quantitative restrictions on imports being maintained on account of balance of payment reasons by 31.03.2001.

(b) & (c) After removal of quantitative restrictions, protection to domestic industry, including fertilizer industry, will be available through tariff mechanism. Import restrictions on major fertilizers like DAP and MOP were removed in 1992 and 1993 respectively. Since 1997, import restrictions on many other chemical fertilizers except Urea have been removed.

To study the impact of removal of quantitative restrictions on the fertilizer sector and to evolve a strategy for combating its adverse impact, if any, Government has set up a `Task Force` under the chairmanship of Secretary , Department of Fertilizers. The Task Force is to study and recommend the appropriate level of tariff to be imposed on fertilizers taking into account the need to provide reasonable protection to the domestic industry.