

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

UNSTARRED QUESTION NO:3704
ANSWERED ON:02.12.2010
SPRUT IN INVESTMENT
Roy Shri Mahendra Kumar

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

- (a) whether the excess demand for fertilizers is driving renewed spurt in investment activities;
- (b) if so, the investment which is likely to be made; and
- (c) the details of subsidies being given by the U.S.A. and European countries on fertilizers, country-wise ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): The Government has notified New Investment Policy on 4th September 2008. The fertilizer industry has responded positively to the New Investment Policy by initiating investment decision for revamp of existing capacities. The investments in revamp contributing to additional capacity by approximately 1.5 million tones, have fructified. As regards expansion, revival, Greenfield gas based urea plants is concerned, amendments in the existing policy of 2008 is under consideration.

(c): As per Pricewaterhouse Coopers (PwC) Report, free market price in urea prevails in USA and countries like France, Germany, Spain, Poland, UK, Italy etc.