

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

UNSTARRED QUESTION NO:3898  
ANSWERED ON:25.08.2011  
PRODUCTION OF FERTILIZERS  
Pathak Shri Harin

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

- (a) whether there are any varieties of fertilizers for which there is a demand but they are not being produced in the country;
- (b) if so, the details thereof alongwith the reasons therefor; and
- (c) the time by which the country is likely to achieve self-sufficiency in the production of requisite varieties of fertilizers?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) & (b): Major fertilizers like DAP, NPK, Urea and MOP are used in India. Out of which MOP is not at all produced in India, because there is no viable source of Potash in the country, as such the entire demand of MOP is met through imports.

(c): Government is always encouraging production of urea in the country to achieve self-sufficiency. The Government has announced a new policy on 4th September, 2008 to attract new investments. The policy is based on import Parity Price (IPP) benchmark with suitable floor & ceiling prices aiming to revamp, expansion, revival of existing urea units and setting up of Greenfield projects. The country is almost fully dependent on imports to meet the requirements of phosphatic and potassic fertilizers. Government has taken initiatives to encourage indigenous production in P&K sector by allowing import parity price to the indigenous manufacturers of DAP. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to acquire this important input at reasonable price. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizers inputs to P&K sector.