

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

UNSTARRED QUESTION NO:681
ANSWERED ON:24.11.2011
FERTILIZER MANUFACTURING FACTORIES
Khaire Shri Chandrakant Bhaurao

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

- (a) the State-wise number of chemicals fertilizer manufacturing factories in the country;
- (b) the number of factories which are functioning out of the above;
- (c) the incentives provided by the Union Government for producing fertilizers in larger quantity;
- (d) whether the Government is considering to open more factories in States for producing more chemical fertilizers; and
- (e) if so, the reaction for the Government thereto ?

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) : There are 55 major fertilizer factories producing Urea, DAP and Complex Fertilizers in the country, out of these, 45 factories are functioning. The State-wise details on number of Chemical fertilizer manufacturing factories are at Annexure.

(c) : As per NPS-III policy, if the production level of Urea is beyond reassessed capacity and upto 110% of reassessed capacity the incentive payable which is variable cost plus 35% of gain with respect to Import Parity Price (IPP) with the ceiling of their own concession rate, is paid to the units. Where the production is beyond 100% of reassessed capacity and upto cut off level, the incentive payable is lower of concession rate or IPP and for production beyond cut off level, the incentive payable is 85% of IPP.

(d) & (e): Recently CCEA has approved proposal for revival of eight closed Urea units of FCIL and HFCL with the stipulation that BIFR proceedings be expedited and thereafter, the matter including changes, if any, required in bid parameters be placed before the Committee for a final decision. In order to facilitate investments in Urea sector, Government is considering amendments to the investment policy of 2008. In Potassic sector India is entirely dependent on imports. In phosphatic sector few SSP units are being contemplated by PSUs /Cooperatives/ Private Sector