

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

UNSTARRED QUESTION NO:5823  
ANSWERED ON:02.05.2013  
INCREASE IN PRODUCTION OF FERTILIZERS  
Singh Kunwar Rewati Raman

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

- (a) Whether the Government has signed any agreement with foreign companies for increasing the production of fertilizers in various parts of the country for 2013-14;
- (b) If so, the details thereof;
- (c) Whether the Government has failed to achieve the target set for production of fertilizers during 2012-13;
- (d) If so, the hurdles being faced by the Government to achieve the fixed target; and
- (e) The steps being taken by the Government to make the country self-reliant in the production of fertilizers in the country?

**Answer**

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

(a) & (b) No Madam.

(c) & (d) The Govt. achieved the production of 225.75 LMT urea against the installed capacity of 207.52 LMT. But there was shortfall in the production of P&K fertilizers over its installed capacity by 26.93 LMT due to the following reasons:-

- (i) Non-availability of adequate natural gas,
- (ii) Unforeseen shut downs
- (iii) Shortage of raw materials

(e) In order to make the country self-reliant in the production of fertilizers, the Government has taken various steps such as, encouraging Indian PSUs/Companies for acquisition of fertilizer assets/resources and for setting up of joint venture fertilizer projects abroad in the resource rich countries with long-term off-take agreements at some preferential prices from such countries; Providing loans under plan fund to PSUs to renovate their old plants to maximize production and allowing to use various blends of rock phosphate to manufacture Single Super Phosphate (SSP) one of the fertilizers used as substitute of DAP. Further, the Govt. has notified the New Investment Policy 2012 on 2.1.2013 to facilitate fresh investments in urea sector for increasing domestic production of urea and to reduce India's import dependency in urea products. The revival of 3 closed Urea units of Hindustan Fertilizer Corporation Limited (HFCL) and five closed units of Fertilizer Corporation of India Limited (FCIL) is also covered under the New Investment Policy.