

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

UNSTARRED QUESTION NO:1872  
ANSWERED ON:03.08.2000  
RESTRICTION ON UREA IMPORT  
SADASHIVRAO DADOBA MANDLIK

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

(a) whether the Fertilizer companies have urged the Government not to remove the quantitative restrictions on the import of urea for the next five years; and

(b) if so, the reaction of the Government thereto?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI RAMESH BAIS)

(a) & (b) Yes, Sir. The Fertilizer Association of India (FAI) has in different memorandato the Government requested on behalf of the industry that the Quantitative Restrictions (QRs)on import of urea should not be lifted for another five years and that removal of restrictions should be accompanied by levying of import duty on urea. However, lifting of QRs w.e.f.1.4.2001 has become inevitable following the commitment by India in an Agreement with USA in December, 1999 after the ruling of the Dispute Settlement Body of WTO that India's quantitative restrictions were not justified on balance of payments grounds. The Government has appointed a Task Force to study and recommend the arrangements which should be put in place for imports of urea as well as the protection that the indigenous urea industry shall require. The recommendations of the Task Force shall form the basis of further action including the levying of tariffs for protection of indigenous industry.