

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

STARRED QUESTION NO:414
ANSWERED ON:25.04.2005
SUBSIDY ON PHOSPHATIC FERTILISERS
Nitish Kumar Shri ;Suman Shri Ramji Lal

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

- (a) whether the Government has made any alternative arrangement for providing subsidy on Phosphatic fertilisers during the year 2005-06;
- (b) if so, the facts in this regard and if not, the reasons therefor;
- (c) whether the fertilizer producers are facing difficulty in procuring raw material from the international market in the absence of such and alternative arrangement;
- (d) if so, whether the production of fertilisers is likely to fall as a result thereof; and
- (e) if so, the reasons for not taking any decision on an alternative arrangement in this regard and the time by which it is likely to be taken?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (e): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No.414 to be answered on 25.04.2005.

(a) & (b) The Government is providing concession on Phosphatic fertilisers under the Concession Scheme for decontrolled P&K fertilisers. The concession rates for Phosphatic & Potassic fertilisers are being worked out as per the recommendations of Tariff Commission. The Government had already approved continuation of the Scheme up to 31st March 2006 as per the approved parameters.

(c) The import of fertiliser raw materials / intermediates is free. The Phosphatic fertiliser manufacturers are importing these commodities freely as per their commercial decision. Government is updating the delivered price of Phosphatic Fertilisers quarterly for working out concession rates as per the approved methodology after taking into account the prevailing international prices of raw materials & intermediates.

(d) & (e) No sir, the total production of Phosphatic fertilisers covered under the concession scheme was 120.05 lakh MT during the year 2004-05 . The likely production for the year 2005-06 would be about 149 lakh MT as per the production plan indicated by the Phosphatic fertilisers manufacturers.