

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

STARRED QUESTION NO:216

ANSWERED ON:11.03.2010

AVAILABILITY OF UREA

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

- (a) The import price of urea since 2004-05 till date;
- (b) the quantum and value of various fertilizers imported and exported, the subsidy outgo for the import and the revenue earned from exporting the fertilizers during the Eleventh Five Year Plan, year wise and fertilizer wise;
- (c) the name of the companies which imported /exported the fertilizers; and:
- (d) the projected consumption of urea in the country during the next plan period and the steps taken by the Government to bridge the gap between demand and indigenous availability of urea?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

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

Statement referred to in reply to Lok Sabha Starred Question No. 216 to be answered on 11.03.2010 regarding 'Availability of Urea'.

(a) The weighted average C&F price of urea imported since 2004-05 till 2009-10 (upto February 2010) is as under: -

Year    Weighted Average C&F price of imported urea In  
US \$ per MT

	From Oman	Through STEs
2004-05	No import	237.88
2005-06	155.23	258.56
2006-07	168.66	248.85
2007-08	180.10	344.00
2008-09	232.79	528.03
2009-10 (upto Feb. 10)	166.56	276.96

# State Trading Enterprises

(b) Urea is the only fertilizer under statutory price control and it is imported for direct agriculture use on Government account through State Trading Enterprises (STEs) i.e. MMTC, STC and IPL to bridge the gap between assessed demand and indigenous production. Government is also importing approximately 19 LMT urea from Oman India Fertiliser Company (OMIFCO) under Long Term Urea Off

Take Agreement (UOTA) between GOI & OMIFCO. The import of urea from OMIFCO is made through M/s IFFCO & M/s KRIBHCO. The year-wise quantity and value of urea imported during the eleventh

five year plan i.e. 2007-08 to 2009-10 (upto Feb 10) is given below:-

Year    Quantity of urea imported (in lakh MT)    Value (Million US \$)

From Oman Through STEs Total

2007-08    18.91    50.37    69.28    2074.30

2008-09    19.06    37.61    56.67    2429.62

2009-10 (upto 28.2.10) 18.93    31.25    50.18    1180.80

Fertilizers other than Urea are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgment. However, Government is paying subsidy on these fertilizers under Concession Scheme. The year-wise quantity and value of DAP & MOP imported during the eleventh plan i.e. 2007-08 to 2009 -10 (upto 30.11.2009) is given below:-

(Quantity in lakh MT and Value in million US \$)

Year        DAP        MOP

Quantity Value    Quantity Value

2007-08    26.93    1317.27    42.57    1087.73

2008-09    62.41    6814.38    53.46    2954.79

2009-10 (upto 30.11.09) 50.09    1832.79    39.16    1888.58

## Against 53.46 LMT of MOP imported during 2008-09, about 10 lakh MT imported for non agricultural purposes for which no subsidy was given.

Export of fertilizers from the country is restricted. However complex fertilizer manufacturers and SSP manufacturers are free to export their own manufactured complex fertilizers/SSP after intimating & furnishing a certificate from their Statutory Auditors to Department of Fertilizers and Custom Authorities. Small quantities of fertilizers have been exported during the eleventh plan period i.e. from 2007-08 to 2009 -10 (upto September 2009). The fertilizer-wise & year-wise details are as under: -

(Quantity in lakh MT)

Product        2007-08    2008-09    2009-10

NPK fertilizers        0.28        0.01        0.05

Ammonium Sulphate        0.07        0.26        0.15

Calcium Ammonium Nitrate        0.03        0.15

Urea            0.03

SSP 0.03

Total 0.35 0.36 0.35

# upto September 2009

The subsidy paid on imported fertilizers during the year 2007-08 to 2009-10 (upto February 2010) is as under:-

(Amount Rupees in crore)

Year (Net)	Imported urea P&K Fertilizers	Imported	Total
2007-08	6606.11	6600.00##	13206.11
2008-09	10078.86	32597.69##	42676.55
2009-10 (upto Feb 10)	4350.69	18948.67	23299.36

## includes bond of Rs.1500 crore in 2007-08 and Rs.8750 crore in 2008-09

(c) The name of the companies who imported/exported the fertilizers (except urea on Government account) are Coromandel Fertilizers Limited, Chambal Fertilizers & Chemicals Ltd., Deepak Fertilizers & Petrochemicals Ltd., Godavari Fertilizers & Chemicals Ltd., Gujarat Narmada Valley Fertilizer Company Ltd., Indian potash Limited, Indian Farmers Fertilizers Cooperative Ltd., Gujarat State Fertilizer & Chemicals Ltd., Mosaic India (P) Ltd., Mangalore Chemicals & Fertilizers Limited, MMTC Limited, Paradip Phosphate Ltd., Rashtriya Chemicals & Fertilizers Ltd., Tata Chemicals Ltd., Tungabhadra Fertilizers & Chemicals Ltd., Fertilizers & Chemicals Travancore Ltd., Nagarjuna fertilizers & Chemicals Ltd., Krishak Bharati Cooperative Ltd., Zuari Industries Limited, and Rama Phosphate Ltd.

(d) Urea demand Projection during the twelfth five year plan is yet to be finalised. The demand forecast of urea for the year 2011-12 in the eleventh five year plan will be 287.55 lakh MT. If the same trend continues, the likely demand of urea in the last year of twelfth five year plan i.e.2017-2018 will be around 343.35 lakh MT (taking 3% growth projection per year). The Government has announced a new policy on 4th September 2008 to attract new investments in urea sector. 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 policy aims to substantially bridge the gap between consumption and domestic production of urea in next five years subject to adequate availability of gas at reasonable prices.