

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

UNSTARRED QUESTION NO:1880
ANSWERED ON:11.08.2011
IMPORT OF FERTILIZERS
Rani Killi Krupa

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

- (a) whether fertilizers are being imported to meet the domestic demand;
- (b) if so, the quantum and value of various fertilizers imported during each of the last three years and the current year, fertilizer-wise;
- (c) the names of the countries from where these fertilizers are being imported;and
- (d) the steps taken by the Government to reduce the import of fertilizers and boost the production of fertilizers in the country?

Answer

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

(a) Yes, Madam.

(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 20 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 last three years and current year (upto July 2011) are as under:-

Year	Quantity of urea imported (in lakh MT)			Value (Million US \$)	
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	From Oman	Through STEs	Total	
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2008-09	19.06	37.61	56.67	2416.00
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2009-10	20.62	31.48	52.10	1212.65
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2010-11	20.64	45.46	66.10	1832.50
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2011-12 (upto July 11)	7.11	11.29	18.40	680.76
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Fertilizers other than Urea are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgment. Government do not maintain the value of these imports. However, Government is paying subsidy on P&K fertilizers under Nutrient Based Subsidy Scheme. The year-wise quantity of P&K fertilizers imported during the last three years and current year (upto July 2011) are as under:-

(Quantity in lakh MT)

Product	2008-09	2009-10	2010-11	2011-12
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DAP	61.92	58.89	74.11	20.16
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MAP	2.67	1.93	1.88	1.06
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TSP	1.73	0.87	0.98	0.00
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NPK	9.81	6.37		
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MOP	43.46	41.62	45.00	3.05
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(Agriculture
Use)
upto July 2011

(c) The countries from where the fertilizers have been imported during the last three years are Australia, Bahrain, Bangladesh, Belarus, China, Canada, Chile, CIS, Egypt, Estonia, Germany, Greece, Indonesia, Iran, Israel, Jordan, Korea, Kuwait, Latvia, Libya, Lithuania, Malaysia, Mexico, Morocco, Oman, Philippines, Qatar, Romania, Russia, S. Arabia, S. Africa, Singapore, Spain, Turkey, Tunisia, Thailand, UAE, USA UK, and Vietnam

(d) Government is always encouraging production of fertilisers in the country to achieve self-sufficiency. A new policy was announced 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 subject to adequate availability of gas at reasonable prices. Government has also taken initiatives to encourage indigenous production in P&K sector by reducing the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to procure this important input at reasonable price. The Nutrient Based subsidy has also been announced on P&K fertilizers w.e.f.01.04.2010. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizer inputs to P&K sector