

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

STARRED QUESTION NO:288  
ANSWERED ON:23.07.2009  
IMPORT OF FERTILIZERS  
Dubey Shri Nishikant ;Singh Shri Ganesh

**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 countries from whom 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**

THE MINISTER OF 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. 288 to be answered on 23.07.2009 regarding `Import of Fertilizers`.

(a) & (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) 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 year wise import of urea on Government account during the last three years and during the current financial year (upto 30.06.2009) along with weighted average C&F price in US \$ is given below: -

Year            Imports from OMIFCO    Imports through STEs

| Year | Qty. In lakh MT | In lakh US\$ price per MT | Wt. Avg. C&F per MT | Qty. In lakh MT | In lakh US\$ price per MT | Wt. Avg. C&F per MT |
|------|-----------------|---------------------------|---------------------|-----------------|---------------------------|---------------------|
|------|-----------------|---------------------------|---------------------|-----------------|---------------------------|---------------------|

|         |       |        |       |        |
|---------|-------|--------|-------|--------|
| 2006-07 | 18.37 | 168.66 | 28.82 | 248.85 |
|---------|-------|--------|-------|--------|

|         |       |        |       |        |
|---------|-------|--------|-------|--------|
| 2007-08 | 18.91 | 180.10 | 50.37 | 344.00 |
|---------|-------|--------|-------|--------|

|         |       |        |       |        |
|---------|-------|--------|-------|--------|
| 2008-09 | 19.06 | 232.79 | 37.61 | 528.03 |
|---------|-------|--------|-------|--------|

|                           |      |        |      |        |
|---------------------------|------|--------|------|--------|
| 2009-10 (till 30.06.2009) | 5.12 | 180.64 | 3.14 | 276.46 |
|---------------------------|------|--------|------|--------|

STEs have already contracted for nearly 12 lakh tonnes of urea for Kharif 2009. Out of which, 3.14 LMT has already arrived upto June 09 and the balance quantity is expected to reach during July 09 & August 09.

Fertilizers other than Urea are imported under Open General Licence (OGL). Importers import these fertilizers as per their commercial judgment. However, Government is paying subsidy on these fertilizers under Concession Scheme. The details of P&K fertilizers imported during last three years and in the current year (up to 30.06.09) and average C&F prices are as under: -

Year Imported DAP MOP

| Year                      | Qty. In lakh MT | Avg. C&F price in US\$ per MT | Qty. In lakh MT | Avg. C&F price in US\$ per MT |
|---------------------------|-----------------|-------------------------------|-----------------|-------------------------------|
| 2006-07                   | 28.41           | 329.00                        | 34.48           | 210.41                        |
| 2007-08                   | 29.78           | 498.00                        | 44.31           | 252.00                        |
| 2008-09                   | 66.31           | 1096.58                       | 43.46           | 613.36                        |
| 2009-10 (till 30.06.2009) | 21.78           | 375.74                        | 5.88            | 615.05                        |

# DAP includes MAP/TSP

(c) The countries from where all grades of fertilizers have been imported during the last three year are Australia, Bahrain, Bangladesh, China, Canada, Chile, CIS, Egypt, Germany, Greece, Indonesia, Iran, Israel, Jordan, Kuwait, Latvia, Libya, Lithuania, Malaysia, Mexico, Oman, Qatar, Romania, Russia, S. Arabia, S. Africa, Spain, Turkey, Tunisia, Thailand and UAE.

(d) Government is always encouraging production of urea in the country to achieve self-sufficiency. The Government has announced a new policy on 4th September 2008 to attract the new investments. 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 completely bridge the gap between consumption and domestic production of urea in next five years subject to confirmed and adequate availability of gas at reasonable prices. The country is almost fully dependent on imports to meet the requirements of phosphatic & potassic fertilizers. Government has taken initiatives to encourage indigenous production in P&K sector by allowing import parity price to the indigenous manufacturers of DAP/MAP/TSP. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to acquire this imports input at reasonable price. 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.