

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

STARRED QUESTION NO:10
ANSWERED ON:22.11.2012
AVAILABILITY OF FERTILIZERS
Pandey Shri Ravindra Kumar;Upadhyay Seema

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

- (a) The quantum of demand, production, supply, import and consumption of various fertilizers in the country along with the amount spent on import of fertilizers during each of the last three years and the current year, State and fertilizer-wise;
- (b) Whether there is short supply of fertilizers in various states of the country;
- (c) If so, the details thereof and the reasons therefor;
- (d) Whether some state Government have demanded/requested for additional supply of fertilizers from the Union Government and if so, the details thereof: and
- (e) The steps being taken/ proposed to be taken by the Union government for the timely supply of fertilizers to the States as per their demands/requests and to reduce import of fertilizers?

Answer

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

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

STATEMENT REFERRRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 10 TO BE ANSWERED ON 22.11. 2012
REGARDING "AVAILABILITY OF FERTILIZERS".

(a) : The requirement (demand) and availability (supply) of Urea, DAP, NPK and MOP in the country during last 3 years and during the current year from April, 2012 to October, 2012 is as under:

Figures in Lakh Metric Tonnes (LMT)

Year	2009-10	2010-11	2011-12	2012-13
	(upto Oct. 2012)			
UREA Requirement	281.90	290.79	303.50	179.97
Availability	265.97	284.62	296.64	165.87
Sales	264.48	282.23	292.74	162.36
DAP Requirement	106.98	120.92	125.75	87.17
Availability	104.09	113.09	116.02	63.77
Sales	103.92	112.87	111.87	52.40

NPK Requirement 87.73 92.00 106.90 67.34

Availability 83.38 104.39 124.14 52.28

Sales 82.03 102.98 113.75 45.17

MOP Requirement 43.85 47.80 47.92 27.30

Availability 47.60 39.83 31.60 15.94

Sales 46.74 38.91 29.79 12.74

The detailed statement of requirement (demand) and availability (supply) state-wise and fertilizer-wise is given at Annex A.

The detailed statement of import of urea on Government account and amount spent on these is as under:

Year	Through STEs		From OMIFCO	
	Quantity (LMT)	Value (in million US\$ approx)	Quantity (LMT)	Value (in million US\$ approx)
2009-10	31.48	872.45	20.62	340.20
2010-11	45.46	1488.27	20.64	344.23
2011-12	57.65	2777.40	20.69	445.08
2012-13 (upto Oct. 2012)	29.62	1290.84	10.52	285.29

STEs - State Trading Enterprises, namely State Trading Corporation(STC) ,Metal and Minerals Trading Corporation (MMTC) and Indian Potash Limited (IPL) OMIFCO - Oman India Fertilizer Company, Sur, Oman Since P&K fertilizers are procured by various private and public sector fertilizer companies, Government does not spend any amount on their imports. However, Government gives a fixed amount of subsidy per MT.

Fertilizers other than urea i.e. P&K fertilizers are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgement and the quantities so imported are distributed in various states through their marketing networks. However, Government is paying subsidy on P&K fertilizers under Nutrient Based Subsidy Scheme (NBS). The details of quantity of P&K fertilizers imported during the last three years and current year is as under:

Figures in Lakh Metric Tonnes (LMT)

Year	DAP	MAP	TSP	NPK	MOP
2009-10	58.89	1.93	0.87	0.00	40.77
2010-11	74.11	1.88	0.98	9.81	45.00

2011-12 69.05 4.94 1.60 36.73 26.94

2012-13 50.62 1.52 0.00 4.05 17.93
(upto Oct. 2012)

The detailed State-wise statement of production of various fertilizers in the country is given at Annex 'B& D'.

(b) to (c) : As can be seen from the table above and the annexures, the availability of Urea, DAP & NPK were adequate. As far as the availability and sales of MOP is concerned, it is on the lower side during the year 2011-12 as compared to 2010-11 because of cartelization by MOP traders. As a result of this, the MOP could not be contracted by importers till August, 2011. Subsequently, the contract of MOP took place in the month of September, 2011. Thereafter during 2012-13, the prices of MOP have gone up because of which there is a demand destruction.

(d) : Department of Agriculture (DAC) gives state-wise requirement of each fertilizer and supply is made according to that. DAC conducts regular video conference jointly with Department of Fertilizers (DoF), Ministry of Railways and with state officials and corrective actions are taken as per the requests of the various state governments for any additional supply of fertilizers.

(e) : Government is always encouraging production of urea in the country to achieve self-sufficiency. The Government had announced a new policy of urea on 4th September, 2008 to attract new investments. The policy is based on Import parity Price (IPP) benchmark with suitable floor & ceiling prices aiming to revamp, expand, revive of the existing closed units and to set up Greenfield projects. The revision in this policy is under consideration. The country is fully dependent on imports to meet the requirements of potassic fertilizers. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to encourage indigenous production of Phosphatic fertilizers. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizers.