

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

UNSTARRED QUESTION NO:1865
ANSWERED ON:17.12.2013
RAW MATERIAL TO CHEMICAL FERTILIZER INDUSTRY
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Chemical and Fertilizer based industries are facing problems due to short supply of raw materials
- (b) if so, the details thereof along with the quantum of raw materials provided to each of such unit during the last three years and the current year; and
- (c) the steps taken by the Government to provide sufficient raw material to this industry?

Answer

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

(a) to (c) No, Madam. The consumption of raw material in the fertilizer unit during last three years is Annexed. There is no short-supply of raw materials in Urea Sector. It is further stated that EGoM on 23rd August, 2013 has decided to maintain the level of supplies of domestic gas at 31.5 MMSCMD to the Fertilizer Sector and give the sector first priority in meeting the requirements of any shortfall below the level of 31.5 MMSCMD from any additional production of NELP gas. However, due to limited availability of domestic Natural Gas in the country and in the absence of allocation of domestic natural gas by Ministry of Petroleum and Natural Gas in light of aforesaid decision of EGoM, the Fertilizer units will have to necessarily depend upon RLNG/Spot Gas.

NBS was introduced to P & K Sector w.e.f 1st April, 2010. In case of P & K fertilizers because of non availability of indigenous raw materials, the country has to depend on the import for raw material or finish products. The country is fully dependent on import in Potash sector as there are no economically exploitable potash bearing minerals.

In Phosphatic sector, though we are producing DAP, complex fertilizers and SSP, the raw materials for 'P' is mostly imported. India has limited amount of rock phosphate of low grade which can only be utilized for production of SSP. This indigenous availability of 'P' is partially sufficient to meet the requirement of SSP industry. On the whole, the country is 90% dependent on imports either for the finished products or raw materials.