

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

UNSTARRED QUESTION NO:3825  
ANSWERED ON:16.12.2014  
PROMOTE FERTILIZER PROJECT  
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**Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:**

- (a) whether the govt have introduced any policy to promote fertilizer projects of foreign joint venture in view of reducing its dependency on imported urea and also to meet the shortage of gas:
- (b) if so, the details thereof;
- (c) whether any positive response has been received from any country to set up joint venture projects:
- (d) if so, the details thereof; and
- (e) the details of foreign exchange flow saved with these measures and the details of additional growth achieved / likely to be achieved in fertilizer production annually in the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (HANSRAJ GANGARAM AHIR)

(a) & (b): India's dependence on import at present is to the extent of 25% in Urea, 90% in phosphates and 100% in Potash. Hence, Government has been encouraging Indian companies to establish Joint Ventures in countries which are rich in fertilizer resources such as gas, rock phosphate and potash List of JVs between Indian companies abroad is annexed at Annexure I

(c) to (d): As the country is fully dependent on imports for Potash, upto 90% in Phosphatic sector in the form of either finished products or raw materials and due to lack of availability of domestic natural gas, the Government has been facilitating Public and Private Sector Indian companies to enter into long term agreements and to participate in JVs in resources rich countries such as Canada, Russia and Iran. These long-term agreements by fertilizer companies will ensure assured supply of ferti- lizers/raw materials in the country and price preference as per the agreements to the companies.

(e): There has been substantial saving on foreign exchange through these JV projects. The total foreign exchange saving in the last 10 years by importing Urea from OMIFCO, a JV between Oman Oil Co, & IFFCO/KR1BHCO is around Rs.14,700 Crores.