

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

UNSTARRED QUESTION NO:3372  
ANSWERED ON:17.03.2015  
ACQUISITION OF MINERAL ASSETS  
Hooda Shri Deepender Singh

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

- (a) whether the Government proposes to revive three years old proposal to create a sovereign fund for the acquisition of mineral assets overseas;
- (b) if so, the details thereof;
- (c) whether this fund would help to secure uninterrupted supply of fertilizers including urea to the country;
- (d) if so, whether the Government has already entered into any agreements with a third party for securing such overseas mineral assets; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGA RAM AHIR)

(a) to (e): Department of Fertilizers had prepared a proposal for creation of a dedicated 'Sovereign Wealth Fund' for acquiring assets to augment supplies of fertilizers and fertilizers input/ raw materials for the country. However, the proposal has been shelved as it was not found viable Keeping in view the constraints in the availability of Natural Gas in the country, which is the preferred feed stock for production of nitrogenous fertilizers, a near total dependence on imports for Phosphatic fertilizer and its raw materials and full import dependence for Potash, the Government has been encouraging Indian Companies to establish Joint Ventures abroad in Countries which are rich in fertilizer resources for production facilities with buy back arrangements and to enter into long term agreement for supply of fertilizers and fertilizer inputs to India. Further, the Department is also working with the goal of having access to acquisition of the fertilizer raw materials abroad.

The details of Joint Ventures put in place in previous years are given below:-

- s. JV Project- JV participants Product and the  
No. Country with equity % Project status
1. Oman India Oman Oil Co. (OOC- 16.52 lakh MT Urea & 2.48  
Fertilizer 50%), IFFCO (25%) & lakh MT Ammonia.  
Co.(OMIFCO). KRIBHCO (25%)  
Oman  
Production started in the year 2006.
  2. ICS Senegal. ICS Senegal and IFFCO 5.5 lakh MT phosphoric  
Senegal consortium acid Production atready  
started.
  3. JPMC-IFFCO JV, JPMC & IFFCO 4.8 lakh MT Phosphoric  
Jordan acid. Commercial  
production started in  
December 2014
  4. IMACID, Morocco OCP-Morocco, Chambal 4.25 lakh MT phosphoric  
& TCL - 33% each acid. Production started in  
year 1997-98.
  5. Tunisia-India GCT (Tunisia). CFL 3.60 lakh MT of  
Fertilizer Company (Now CIL) & GSFC Phosphoric acid.  
(TIFERT), Tunisia (India) Commercial production  
started in April 2014.