

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

UNSTARRED QUESTION NO:4856
ANSWERED ON:12.08.2014
ACQUISITION OF FERTILIZER ASSETS ABROAD
Muddahanumegowda Shri S.P.

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

- (a) whether the Government proposes to acquire fertilizer assets abroad;
- (b) if so, the details thereof, country-wise;
- (c) whether the Government also proposes to boost the above assets in the country to meet future requirements;
- (d) if so, the details thereof; and
- (e) the action plan formulated to acquire such assets in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI NIHAL CHAND)

(a) & (b): The Government does not involve directly in acquisition of fertilizer assets abroad. However, the Government facilitates/encourages fertilizer companies (both PSUs and private companies) to establish Joint Venture abroad in Countries rich in fertilizer resources for production of fertilizers with buy back arrangement and to enter into long term agreements for supply of fertilizers and fertilizer inputs/intermediates to India.

(c) to (e): More than 90% of the requirement of Phosphatic fertilizers of the country is met through imports either in the form of finished fertilizers or intermediates/raw materials. There is no known source of potash in the country. Hence, 100% potash requirement is met through imports. Almost all the DAP/NPK manufacturing plants meet their requirement of the raw material from imported sources. Indigenous

production of rock phosphate is very limited and is available only through the mines in Rajasthan and Madhya Pradesh. The quality of indigenous rock phosphate is low in terms of P₂O₅ content and is mostly suitable for production of only Single Super Phosphate (SSP) fertilizer. In order to utilize the low grade rock phosphate for production of SSP, the Government has been encouraging companies to establish Beneficiation plant to upgrade the quality of low grade rock phosphate.