

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

STARRED QUESTION NO:39
ANSWERED ON:06.07.2004
IMPORT OF FERTILIZERS
Nishad Shri Mahendra Prasad

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

- (a) whether the Government has imported Phos. Acid and Muriate of Potash during each of the last three years and the current financial year;
- (b) if so, the details thereof along with rates and name of the countries;
- (c) the subsidy provided to each of the importer company during the said period;
- (d) whether the farmers also get the benefit of the subsidy on these fertilizers; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

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

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 39 to be answered on 06.07.2004.

(a) & (b) The import of phosphoric acid and Muriate of Potash (MOP) is decanalised and the Government does not import fertilizers and their inputs except urea. The importers and fertilizer manufacturers import phosphoric acid and Muriate of Potash directly. The import prices for phosphoric acid and MOP are negotiated with the suppliers normally for entire year.

M/s. Indian Potash Ltd. (IPL) is the major importer of MOP, which imports almost 60% of the entire quantity. Normally, IPL negotiates the price of MOP with the international suppliers during the beginning of financial year. On the other hand the price of phosphoric acid is normally negotiated by a group of P&K fertilizer manufacturers in the beginning of the financial year.

The details of country wise import and prices negotiated during the last three years for phosphoric acid and MOP are placed at Annexure-I. For the current year, IPL has finalised C&F price of MOP at \$180 per MT with 180 days credit, till the supplies up to October 2004. The C&F price negotiated by the group of manufacturers of P&K fertilizers for the year 2004-05 for phosphoric acid is \$402.75 per MT (for countries having import duty of 5%) and \$398.7 (for countries having import duty of 4%) with 120 days credit.

(c) The phosphoric acid is used for manufacturing of DAP & complex fertilizers. On the other hand, MOP is used for direct application as well as in the manufacturing of NPK fertilizers. Government of India provides concession/ subsidy on the sales of finished fertilizers namely DAP, MOP, and complex fertilizers. The details of the concession/ subsidy paid during the last three years to the fertilizer companies on the sales of these fertilizers for agricultural use is placed at annexure II.

(d) & (e) Yes Sir, the farmers get the benefit of subsidy as the selling price of these fertilizers indicated by the Government is lower than the normative delivered cost. The Government is paying the difference between normative delivered cost & the selling price as concession/ subsidy to the manufacturers/ importers.

Annexure-I

Details of country wise import of MOP during the last three years

(In thousand MT)

Country 2001-02 2002-03 2003-04

Canada	175	206	451
Jordan	614	446	658
Germany	97	167	118
Israel	356	412	255

CIS 1568 1372 1098

Total 2810 2603 2580

(Source: FAI)

Details of country wise import of Phosphoric Acid during the last three years

(In thousand MT)

Source/Country 2001-02 2002-03 2003-04

OCP/Morocco	705.0	691.6	1236.9
GCT/Tunisia	287.4	297.6	250.6
LCC Lebanon	29.7	36.5	37.7
JPMC/Jordan	134.6	299.3	308.3
Phoschem/USA	62.6	0.0	0.0
YPIEC/China	5.5	0.0	0.0
Israel	170.0	105.5	19.3
South Africa	348.1	396.1	404.1
Senegal	416.9	536.2	431.8
Others	50.6	40.6	52.3

Total 2209.9 2403.4 2741.0

Details of C&F price of MOP finalised by IPL and C&F price of phosphoric acid finalised by manufacturers of P&K fertilizers during last three years and current year

(\$ per MT)

Year C&F Price of MOP C&F Price of Phosphoric Acid

2001-02	120.9	348.5
2002-03	120.9	341.5
2003-04	124.4	356.0
2004-05	180.0	398.7

Annexure II/1

Total Payment in Rs. Crores (DAP/NPK Manufacture)

Company Name 2003-04 2002-03 2001-02

IFFCO	647.43	569.18	678.70
OCFL	85.10	186.32	375.24
HLL	166.04	150.97	279.95
CFL	155.13	78.48	212.56
GFCL	182.10	156.69	223.66

FACT	122.41	154.22	208.36
M FL	116.68	81.10	211.33
GS FC (V)	161.19	171.98	168.65
ZIL	139.70	103.54	178.39
S PIC	91.53	84.14	186.71
RC F	92.76	70.51	139.12
PPL	204.05	120.43	150.80
IGCL	76.19	70.19	96.68
GSFC (S)	33.20	48.44	57.91
E.I.D. Parry	22.34	21.49	59.05
MC FL	30.13	36.99	49.24
GNVFC	38.28	22.09	44.22
GFCL (IFFCO)	8.69	0.00	0.00
DEEPAK	17.57	20.71	46.09

TOTAL 2390.52 2147.46 3366.66

Annexure II/2

Total Payment in Rs. Crores (SSP Manufacturers)

Company Name 2003-04 2002-03 2001-02

DMCC	12.70	14.79	17.47
LIBERTY	14.61	14.22	14.30
KHAITAL CHEM.	11.70	10.14	9.44
VAM	1.48	0.02	7.86
TEESTA	6.26	7.63	6.87
RAMA PHOS (U)	7.66	6.61	7.10
BEC FERT	7.17	6.28	6.07
RKRL	5.78	4.38	5.67
KHAITAN FERT	0.00	1.35	4.72
RAMA PHOS (I)	6.23	2.78	4.13
BASANT	3.46	3.40	3.17
SADHANA	1.00	0.78	3.38
SHIVA	3.98	3.88	2.94
BOHRA	4.06	7.40	2.74
MARDIA	0.29	1.61	2.38
CIOMBATORE	3.06	2.51	2.38
PHOSPHATE CO.	5.62	5.35	2.68
JAY SHREE (II)	3.63	2.53	2.02
JUBILANT	6.90	6.91	1.69
ANDHRA SUGAR	2.68	1.32	1.69
JAY SHREE (I)	3.33	3.45	1.74
PRAGATI	1.27	0.72	1.53
PRATHYUSHA	1.53	2.67	3.19
TUNGBHADRA	1.51	0.80	1.47
BHARAT FERT	0.84	1.37	1.30
SHREE ACIDS	0.00	0.44	1.02
SWASTIK	1.42	1.49	0.93
ARIHANT	2.08	2.63	1.40
KRISHNA INDUS.	1.66	1.29	0.92
RASHI FERT	0.03	0.29	0.96
SUBHODAYA	0.71	0.79	0.86
ASIAN FERT	3.86	1.82	0.80
JAIRAM	3.11	2.12	2.19
RAJLAXMI	0.02	0.23	0.55
GAYATRI	0.78	0.62	0.44
KHOTHARI	0.03	0.28	0.52
MAHADEO	0.31	1.61	0.32
MANGALAM	0.27	0.72	0.34
ORIRNTAL	0.01	0.07	0.27
JAY SHREE (III)	0.03	0.45	0.22
SHURVI	0.32	0.38	0.21
PRIYANKA	0.73	0.79	0.30
ARAWALI	1.67	1.29	0.29
SHRI GANPATI	0.00	0.04	0.13
MUKTESHWAR	0.11	0.27	0.15
PREM SAKHI	2.25	1.67	0.56
SHAW WALLACE	0.00	0.00	0.06
NIRMA	6.15	8.07	1.89

MPOL	0.03	0.11	0.67
SONA PHOS	0.02	0.02	0.01
SHREEJI FERT	0.00	0.02	1.66
MADIC	0.00	1.47	1.41
ASHA PHOS	0.00	0.10	0.79
MEXICAN PHOS	0.45	0.00	0.55
SARADA FERT	0.00	0.00	0.48
BEC (P)	3.28	2.99	0.06
SRINIWAS FERT	0.26	7.44	0.00
CHEMTECH FERT	1.05	0.79	0.00
MBAPL	0.16	0.91	0.00
REWATI MINERALS	0.01	0.31	0.00
IFFCO (GFCL)	34.12	16.98	0.00
TEDCO	1.58	0.55	0.00
BMFP	0.74	1.14	0.00
KASHI URVARK	0.03	0.07	0.00
SRIKRISHNA	0.00	0.07	0.00
PYRITES PHOS	0.00	0.08	0.00
BALA JI	0.30	0.01	0.00
SHREEJI PHOS	0.00	0.25	0.00
ARIHANT FERT	0.00	0.09	0.00
KHAITAN CHEM (J)	4.17	0.00	0.00
NARMADA AGRO	0.16	0.00	0.00
NATRAJ ORG	0.64	0.00	0.00
MUNAK	0.09	0.00	0.00
MB (Pvt)	0.05	0.00	0.00

TOTAL 189.44 173.67 138.90

Annexure II /3

Companywise payment to importers of DAP & MOP (Rs. Crores)

SI.No. Company`s Name 2001-02 2002-03 2003-04

1 M/s Cargil India pvt Ltd	1.40	33.58	
2 M/s Chambal fert & Chemical Ltd	18.06	29.97	47.97
3 M/s Coromandal fert Ltd	4.84	16.19	20.07
4 M/s deepak Fert Ltd	23.20	9.43	5.35
5 M/s Duncan Industires Ltd	24.43	8.41	3.28
6 M/s EID Perry India Ltd	0.00	8.19	17.32
7 FACT	22.49	25.61	9.51
8 GFCL	15.15	16.55	10.46
9 GNVFC	24.99	17.84	17.70
10 GSFC	0.09	0.01	0.03
11 Hindustan Lever ltd	38.24	37.95	32.27
12 IFFCO	11.94	1.44	0.56
13 Indian Potash LTD	303.36	339.70	374.26
14 Madras ferilizers Ltd	10.45	11.30	4.90
15 MMTC	8.08	12.92	3.83
16 NFCL	0.13	5.00	0.49
17 PPL	0.00	4.74	8.14
18 Rallis India Ltd	2.83	5.13	4.95
19 RCF Ltd	46.22	42.77	33.58
20 Shri Ram fert Ltd	71.82	60.25	55.50
21 SPIC	72.71	31.82	7.31
22 PCTL	3.35	10.60	
23 Emmsons	0.07	0.09	
24 Zuari Industries Limited	29.22	36.93	16.53
25 Indo gulf		1.72	
26 MCFL	0.11		
27 NFL	0.51		
28 TATA		12.39	

Total 731.67 736.58 719.98