

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

UNSTARRED QUESTION NO:557

ANSWERED ON:11.11.2010

IMPORT AND EXPORT OF FERTILIZERS

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

- (a) the import price of urea since 2007-08 till date;
- (b) the quantum and value of various fertilizers imported and exported and the reasons for importing fertilizers alongwith the expenses on subsidy and the revenue earned from export during the Eleventh Five Year Plan;
- (c) the names of the companies through which imports / export of fertilizers was done;
- (d) the estimated demand and consumption of urea in the country during the next plan period and the manner in which it would be fulfilled by the Government;
- (e) whether the Government has decided to import fertilizers to meet the domestic demand for rabi crop;
- (f) If so, the names of the countries and the quantum of fertilizers likely to be imported from them, country-wise and quantum wise; and
- (g) The measures being taken to avoid the import of fertilizers in the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) The weighted average C&F price of urea imported since 2007-08 till 2010-11 (upto October 2010) is as under: -

Year Weighted Average C&F price of imported urea In US \$ per MT

From Oman Through STEs#

2007-08	180.10	344.20
2008-09	232.79	524.41
2009-10	164.99	277.14
2010-11 (upto 31.10.10)	181.76	292.15

#State Trading Enterprises

(b) Urea is the only fertilizer under statutory price control and it is imported for direct agriculture use on Government account through State Trading Enterprises (STEs) i.e. MMTC, STC and IPL to bridge the gap between assessed demand and indigenous production. Government is also importing approximately 19 LMT urea from Oman India Fertiliser Company (OMIFCO) under Long Term Urea Off Take Agreement (UOTA) between GOI & OMIFCO. The import of urea from OMIFCO is made through M/s IFFCO & M/s KRIBHCO. The year-wise quantity and value of urea imported during the eleventh five year plan i.e. 2007-08 to 2010-11 (upto October 10) is given below:-

Year Quantity of urea imported (in lakh MT) Value (Million US \$)  
From Oman Through STEs Total

2007-08	18.91	50.37	69.28	2074.30
2008-09	19.06	37.61	56.67	2416.00
2009-10	18.93	31.25	50.18	1212.65
2010-11 upto 31.10.10	12.42	24.04	36.46	928.07

Fertilizers other than Urea are imported under Open General Licence (OGL). Companies import these fertilizers as per their commercial judgment. However, Government is paying subsidy on these fertilizers under Concession Scheme. The year-wise quantity and value of DAP & MOP imported during the eleventh plan i.e 2007-08 to 2010-11 (upto August 10) is given below:-

(Quantity in lakh MT and Value in million US \$)

Year	DAP#		MOP	
	Quantity	Value	Quantity	Value
2007-08	26.93	1317.27	42.57	1087.73
2008-09	62.41	6814.38	53.46\$	2954.79
2009-10	60.39	2211.63	52.43\$	2464.48
2010-11 (upto 31.08.10)	39.67	1951.113	4.41\$	1254.72

\$ includes MOP imported for non agricultural purposes for which no subsidy was given.

# includes imports of MAP & TSP.

Export of fertilizers from the country is restricted. However complex fertilizer manufacturers and SSP manufacturers are free to export their own manufactured complex fertilizers/SSP after intimating & furnishing a certificate from their Statutory Auditors to Department of Fertilizers and Custom Authorities. Small quantities of fertilizers have been exported during the eleventh plan period i.e. from 2007-08 to 2009 -10 (upto September 2009). The fertilizer-wise & year-wise details are as under: -

(Quantity in lakh MT)

Product	2007-08	2008-09	2009-10	2010-11\$
NPK fertilizers	0.28	0.01	0.05	0.21
Ammonium Sulphate	0.07	0.26	0.15	
Calcium Ammonium Nitrate		0.03	0.15	
Urea	0.03	0.20		
SSP	0.03	0.03		
DAP		0.18		
MOP		0.12		
Total	0.35	0.36	0.35	0.74

\$upto October 2010

The subsidy paid on imported fertilizers during the year 2007-08 to 2010-11 (upto October 2010) is as under:-

(Amount Rupees in crore)

Year Imported urea (Net) Imported P&K Fertilizers Total

2007 - 08	6606.11	6600.00#	13206.11
2008 - 09	10078.86	32597.69#	42676.55
2009 - 10	4603.30	23452.06	28055.36
2010 - 11 (upto Oct 10)	3593.81	10672.86	14266.67

# includes bond of Rs.1500 crore in 2007-08 and Rs.8750 crore in 2008-09

(c) The name of the companies who imported/exported the fertilizers (except urea on Government account) are Coromandel Fertilizers Limited, Chambal Fertilizers & Chemicals Ltd., Deepak Fertilizers & Petrochemicals Ltd., Godavari Fertilizers & Chemicals Ltd., Gujarat Narmada Valley Fertilizer Company Ltd., Indian potash Limited, Indian Farmers Fertilizers Cooperative Ltd., Gujarat State Fertilizer & Chemicals Ltd., Mosaic India (P) Ltd., Mangalore Chemicals & Fertilizers Limited, MMTC Limited, Paradip Phosphate Ltd., Rashtriya Chemicals & Fertilizers Ltd., Tata Chemicals Ltd., Tungabhadra Fertilizers & Chemicals Ltd., Fertilizers & Chemicals Travancore Ltd., Shriram Fertilizers, Nagarjuna fertilizers & Chemicals Ltd., national Fertilizers Limited, Krishak Bharati Cooperative Ltd., Zuari Industries Limited, Rama Phosphate Ltd., Vardhman Hitech, Carton Laboratories and Jubilant Life Sciences Limited. Urea is being imported on Government Account through three canalising agencies, namely M/s Indian Potash Limited, State Trading Corporation Limited and Minerals & Metal Trading Corporation Limited.

(d) Urea demand Projection during the twelfth five year plan is yet to be finalised by Department of Agriculture & Cooperation (DAC). The demand forecast of urea for the year 2011-12 in the eleventh five year plan will be 287.55 lakh MT. If the same trend continues, the likely demand of urea in the last year of twelfth five year plan i.e.2017-2018 will be around 343.35 lakh MT (taking 3% growth projection per year). The Government has announced a new policy on 4th September 2008 to attract new investments in urea sector. The policy is based on Import Parity Price (IPP) benchmark with suitable floor & ceiling prices aiming to revamp, expansion, revival of existing urea units and setting up of Greenfield projects. The policy aims to substantially bridge the gap between consumption and

domestic production of urea in next five years subject to adequate availability of gas at reasonable prices.

(e) & (f) the adequate quantities of fertilizers will be imported to meet the requirement of Rabi 2010-11. The major sources of fertilizer imports to India are China, CIS countries, United States of America, Canada, Jordan, Israel, Russia, Iran, Oman, Morocco, Arabian Gulf countries etc.

(g) Government is always encouraging production of fertilisers in the country to achieve self-sufficiency and taken initiatives as detailed in part (d) of the answer. Government has also taken initiatives to encourage indigenous production in P&K sector by allowing import parity price to the indigenous manufacturers of DAP. Government has also reduced the custom duty on phosphoric acid from 5% to 2% to enable indigenous manufacturers of P&K fertilizers to procure this important input at reasonable price. The Nutrient Based subsidy has also been announced on P&K fertilizers w.e.f.01.04.2010. Government is also encouraging private sector and public sector companies to explore the possibilities for joint ventures abroad to ensure uninterrupted supply of fertilizer inputs to P&K sector.