

Agreements for supply of potash for the period July, 2009 to March, 2010 have been finalized by different Indian entities for US\$ 460 per metric ton CFR India. Russia, Germany, Belarus, Canada, Jordan, Israel, United Kingdom and Spain are the countries which are selling potash in the international market.

Indigenous production of urea

3700. SHRI R.C. SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that in view of abundant production of gas in the country, particularly in KG Basin, our country can produce the required quantity of urea to meet the indigenous demand; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) and (b) The total requirement of natural gas for fertilizer sector has been projected at 95.448 MMSCMD by 2011-12, keeping in view the need for natural gas for all the expansion urea projects, revival projects and Greenfield urea plants in the country. It is expected that if sufficient gas as projected above is allocated to fertilizer sector, the country can not only produce the required quantity of urea to meet the indigenous demand but can also become a major exporter of urea in the world. Further, the availability of gas will need to be complemented with scheduled pipeline connectivity to the existing non-gas based urea units including closed urea units in the country.

Currently, the total availability of natural gas for fertilizer sector is 40.388 MMSCMD. Further, it has been decided that the demand emanating beyond 2008-09 from de-bottlenecking of and expansion of fertilizer plants, conversion of naphtha-based and fuel oil-based fertilizer plants, and revival of closed fertilizer plants would be given the highest priority at that stage and will be met from production in subsequent years.

Subsidy cut on fertilizers

3701. SHRI MOHD. ALI KHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government is going to cut subsidies on fertilizers which are used by the poor farmers;

(b) if so, the details worked out so far;

(c) how Government will protect the poor people like minorities who are unable to purchase it in the open market on such high rate; and

(d) why Government is failing to provide fertilizers at the rates affordable to the farmers in the current year?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT JENA): (a) At present, there is no such proposal.