

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

UNSTARRED QUESTION NO:4830
ANSWERED ON:25.04.2013
ESTABLISHMENT OF UREA PLANT BY IFFCO
Pangi Shri Jayaram

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

- (a) whether Indian Farmers Fertilizer Cooperative Limited (IFFCO) plans to fund about USD 500 million to establish a urea plant in Canada;
- (b) if so, the details thereof;
- (c) Whether this move will bring in cost-effective low price urea into India;
- (d) if so, the details thereof; and
- (e) if not, the manner in which this investment is likely to be helpful to the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (SHRI SRIKANT KUMAR JENA)

(a) & (b): Yes Madam. The total equity contribution for the proposed Project is estimated around USD 500 Million. But the share of IFFCO in total equity contribution is yet to be finalized.

(c) & (d) : The cost of the Urea produced from the proposed Project to India would be dependent upon the economics of transportation costs from Canada to India. Increased production of Urea from the proposed Project will reduce Imports of Urea into North America from Middle East, which in turn is expected to have softening impact on CFR India prices of Urea.

(e) : Question does not arise.