

No. 16015/1/2022-PMI  
Government of India  
Ministry of Chemicals & Fertilizers  
Department of Fertilizers  
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Shastri Bhawan, New Delhi  
Dated : 5<sup>th</sup> November, 2024

**OFFICE MEMORANDUM**

**Subject : Monthly Summary to the Cabinet for the month of September, 2024-reg.**

The undersigned is directed to circulate herewith the Monthly Summary pertaining to the Department of Fertilizers for the month of September, 2024 for information.

This issues with the approval of competent authority.



(Anil Phulwari)  
Director (PMI)  
Tel. 011-23389839

To,

1. All members of Council of Ministers

Copy to :

1. Secretaries to the Govt. of India, All Ministries/Departments
2. Director, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi-110004.
3. Sr. PPS to Secretary (F)
4. SO (IT) for uploading on DoF website.

**Subject : Monthly Summary of Dept. of Fertilizers for the month September, 2024.**

**1. Overall production performance during the month :**

**(Fig. in 'LMT')**

Product Name	Production during the month	Cumulative production upto the month
Urea	24.81	153.18
DAP	3.77	21.53
Ammonium Sulphate (A/S)	0.68	3.25
Complex Fertilizers	9.34	53.86
Single Super Phosphate	4.97	26.35

Sources: dbtfert.nic.in as on 05.09.2024

**2. Assessed Requirement, Availability and Sales of fertilizers during the month:**

**(Fig. in 'LMT')**

Product Name	Assessed Requirement	Availability	Sales
Urea	26.54	93.87	30.89
DAP	9.35	19.97	7.74
MOP	1.79	9.58	2.25
NPK	12.90	52.51	16.60

Source of data is Dashboard

**3. Details of Imported Finished Fertilizers during the month:**

Product Name	Quantity in 'LMT'
Urea	3.12
MOP for Agriculture use	2.61
DAP	3.79
NPK	0.61

**4. Incremental progress of Talcher Fertilizer Project during September, 2024:**

**(A). REVIVAL OF TALCHER UNIT:**

Government of India mandated revival of Talcher unit of M/s FCIL, located in Angul district, Odisha. Accordingly, a Joint Venture Company named Talcher Fertilizers Ltd. (TFL) has been incorporated for setting up coal gasification-based Ammonia urea plant

of 12.7 LMTPA capacity, which is first of its kind in India. Equity of GAIL, RCF& CIL in TFL is 31.85% each and that of FCIL is 4.45%.

( B) Following are the major activities and achievements in respect of TFL plant during the month of September, 2024:-

**i. Progress of the projects:**

The overall progress of project as on 30<sup>th</sup> September, 2024 is 63.34% as against 62.88% up to 31<sup>st</sup> August 2024 i.e. progress of 0.46% during September, 2024. The following are some of the highlights of September, 2024:-

- a. Urea main Frame erection, which was stopped for quite some time, has been re-started and is currently in progress of the 4<sup>th</sup> floor out of total 5 floors. All 18 columns for 4<sup>th</sup> floor have been cast.
- b. Coal Milling Frame (CMF) Building erection has been completed up to 48-meter height out of the total requisite height of 66.00 meter.
- c. The Prilling Tower has been erected up to 105 meter out of total height of 124 meter.
- d. WECL increased the labor deployment from 700-800 to around 1100-1200 per day after stoppage of rain. As such, the total contractual manpower at site is now significantly increase to 2600-2700 per day.

The overall progress of the Outside Battery Limit ( OSBL) packages as on 30<sup>th</sup> September, 2024 is 73.02% as against 71.90% till 31<sup>st</sup> August 2024. One OSBL package has been completed on 10.09.2024 and four are in advanced stage of completion. TFL has finalized the completion plan of all the OSBL packages.

**(ii)** The current challenge for the project is the M/s WECL's demands, beyond the contract, such as time extension, cost compensation, adjustment of payment terms and deferment of Mutually Agreed Damages ( MAD).

**(iii)** For resolving the issues, a high-level meeting of TFL management with Mr Yin Lin, Project Director- WECL was held on 11/12<sup>th</sup> September, 2024 as Bangkok ( Mr Yin yet to get permission to visit India from Chinese authority) to resolve critical issues related to TFL project:-

- a. TFL put forward various feasible proposals to support cash flow issues of M/s WECL and further asked M/s WECL to submit unconditional completion plan for both

packages (Coal Gasification & Ammonia urea) along with the timelines of major project milestones.

b. M/s WECL stated that present situation is beyond their financial capabilities & they are not in a position to provide a completion outlook of entire project. Also, M/s WECL demanded for MAD deferment and changes in payment terms & condition and providing an outlook of only 6 months against these condition.

(iv) Meeting was held on 19.09.2024 with TFL official under the Chairmanship of Secretary (F), Department of Fertilizers. TFL has been advised to continue the engagement rigorously with M/s WECL to expedite the progress as per the existing contract. Further, a review meeting of TFL project was presided by for Chemicals & Fertilizers on 30.9.2024. Hon'ble Minister directed TFL to continuously engage with M/s WECL and all efforts should be taken to fully explore all existing contractual provision to get the project progress for completion.

(v). Relevant to mention that in response to your DO letter No. CS/7855/2024 dated 27.09.2024 regarding exploring the possibility of a negotiated solution in case there is any merit in any of the contentions of the contractor and also to examine whether Department of Expenditure's orders regarding force majeure would provide extension of time, TFL quickly examined the same, TFL has already provided extension of time of 9 months under the said DoE orders, which ended in June 2024. Further, TFL along with its promoter companies have been directed to examine M/s WECL's demands with respect to the scope of negotiation with LSTK contract, so that further course of action could be expedited.

## **5. Expenditure position:**

As against total available budget B.E. 2024-25 of Rs. 168130.81 Crore for F.Y. 2024-25, expenditure on administration of fertilizer subsidy during September 2024 was Rs.28478.11 Crore (Urea: Rs. 20093.07 Crore, P&K: Rs. 8378.41 Crore, Establishment: Rs.3.27 Crore, MDA for GOBARdhan: Rs. 3.12 Crore, DBT: Rs.0.18 Crore & Capital Expenditure Rs. 0.06 Crore). Progressive expenditure during April, 2024 to September, 2024 was Rs. 91717.63 Crore (Urea: Rs. 65490.04 Crore, P&K: Rs. 26193.21 Crore, Establishment: Rs.22.28 Crore, DBT: Rs. 4.50 Crore, Capital Expenditure Rs. 0.44 Crore & MDA for GOBARdhan Rs. 7.16 Crore). i.e. the approx. 54.55 % of the total allocation.