

No. 16015/1/2019-PMI  
Government of India  
Ministry of Chemicals & Fertilizers  
Department of Fertilizers

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Shastri Bhawan, New Delhi  
Dated: 26<sup>th</sup> November, 2019

**OFFICE MEMORANDUM**

**Subject: Monthly Summary to the Cabinet for the month of October 2019-reg.**

The undersigned is directed to circulate herewith the Monthly Summary pertaining to the Department of Fertilizers for the month of October 2019, for information.

This issues with the approval of competent authority.



(Johan Topno)  
Deputy Secretary to the Govt. of India  
Tel. 011-23388064

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 of October 2019.**

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

(Fig. in 'LMT')

Product Name	Production during the month	Cumulative production upto the month
Urea	20.15	138.28
DAP	3.89	25.52
Ammonium Sulphate (A/S)	0.62	3.48
Complex Fertilizers	8.36	51.42
Single Super Phosphate	4.31	26.32

Source mfms.nic.in as on 07.11.2019

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

(Fig. in 'LMT')

Product Name	Assessed Requirement	Availability	Sales
Urea	34.80	86.71	18.96
DAP	13.45	65.79	10.43
MOP	3.87	18.27	2.53
Complex	9.42	55.95	9.51

Source of data is Dashboard as on 31.10.2019

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

Product Name	Quantity in 'LMT'
Urea	9.92
MOP for Agriculture use	1.48
DAP	4.28
NPK	0.82

**4. Status of revival of closed units of FCIL/HFCL**

**(a). Revival of Ramagundam Unit:-**

- Ramagundam unit of FCIL is being revived on nomination basis by consortium of PSUs namely Engineers India Limited (EIL), National Fertilizers Limited (NFL) and FCIL by setting up a gas based fertilizer plant of 1.27 MMTPA Capacity. As on 15<sup>th</sup> October, 2019, 98.4% of physical progress of the project has been made. The project is likely to be commissioned in February, 2020.

- The project activities are being monitored closely by Department of Fertilizers through monthly review meetings being held under the chairmanship of Secretary (Fertilizers). The last such review meeting was held on 01.11.2019.
- Vide DO letter dated 22.10.2019, matter has been taken with CEO, NITI Aayog, Principal Adviser to PM and Cabinet Secretary requesting them to convene a high level meeting with GITL officials immediately so that gas is made available to RFCL plant to start pre-commissioning activities without further delay.
- Vide DO letter dated 21.10.2019, matter was taken up with Chief Secretary, Govt. of Gujarat who is also the Chairperson of GITL to ensure transport of gas from Kunchanapalle to RFCL battery limit without any further delay.
- Gas has been made available by GITL to RFCL on 01.11.2019. Pre-commissioning activities are underway.

**b). Revival of Talcher Unit:**

- Talcher unit is being revived through 'Nomination Basis' by forming a JV of nominated PSUs. JV company has been named as Talcher Fertilizers Ltd. (TFL). Equity of GAIL, RCF & CIL in TFL is 29.67% each & FCIL's 10.99 %. New Ammonia Urea plant of 1.27 MMTPA capacity based on Coal Gasification Technology is being set up..
- The project activities are being monitored closely by Department of Fertilizers through monthly review meetings being held under the chairmanship of Secretary (Fertilizers). The last such review meeting was held on 01.11.2019.
- A meeting of Empowered Committee of Secretaries (ECoS) was held under the chairmanship of Secretary (Fertilizers) on 02.09.2019 to deliberate on the issue relating to reduction in the equity of FCIL in TFL from 11% to 4.45%. Department of Expenditure (DoE) has furnished some observations on the minutes of ECoS meeting. Accordingly, vide DO letter dated 23.10.2019, Secretary (Fertilizers) has taken up the matter with Secretary, DoE that only those decisions that were deliberated and recommended during the meeting by the representatives nominated by the Secretaries of the concerned Departments / Ministries have been incorporated in the drafted minutes of ECoS meeting. 2<sup>nd</sup> meeting of ECoS will be held on 18.11.2019 in NITI Aayog.
- Vide DO letter dated 11.10.2019, matter has been taken up with Secretary, Ministry of Coal to waive off the submission of Performance Guarantee of Rs. 301.20 crore by TFL to M/o Coal which is required for signing of Mine Allotment Agreement to TFL.
- DoF has initiated action for formulation of urea policy exclusively for TFL.

**(c) Revival of Gorakhpur, Sindri, and Barauni units:**

- Gorakhpur, Sindri and Barauni units are being revived through a joint Venture company by name Hindustan Urvarak & Rasayan Limited (HURL) of Public Sector Undertakings, namely, National Thermal Power Corporation, Coal India Limited, Indian Oil Corporation Limited and Fertilizer Corporation of India Limited / Hindustan Fertilizer Corporation Limited by setting up gas based fertilizer plants of 1.27 MMTPA capacity each. Status of these projects is as under: -
  - As on 25.09.2019 the overall LSTK works progress at Gorakhpur, Barauni and Sindri Projects of HURL are 69.9 %, 51.3 % and 50.1 % respectively, which are largely as per schedule.
  - All major Long Lead Items have been ordered for all three Projects.
  - The progress reports of Non LSTK packages and EPCM non packages for all three projects are under preparation by PDIL-PMC. Action plan for award of balance Non LSTK packages and post award works of critical Non LSTK packages has been finalized and being monitored on regular basis.
- In pursuance of CCEA decision to grant IFL to HURL, Department of Fertilizers prepared a draft Loan Agreement, as per rule 253(2) (i) GFR, 2017, which is to be executed between Department of Fertilizers and HURL. Comments of D/o Economic Affairs and D/o Expenditure were sought on the same. D/o Expenditure vide OM dated 01.10.2019 has conveyed some observations on the draft Loan Agreement. After making amendments in the draft Loan Agreement, the same is being submitted to Department of Legal Affairs for vetting.
- These Projects are likely to start production by 2021. The project activities are being monitored closely by Department of Fertilizers through monthly review meetings being held under the chairmanship of Secretary (Fertilizers). The last review meeting was held on 23.09.2019.

**5. Expenditure position:**

As against an available budget of Rs. 83476.00 Crore for F.Y. 2019-20, expenditure on administration of fertilizer subsidy during October 2019 was Rs. 11344.65 Crore (P&K : Rs. 2578.13 Crore, Urea: 8759.87 Crore, City Compost : 5.71 Crore & Exp. On DBT professional 0.94 Crore). Progressive expenditure upto 31<sup>st</sup> October 2019 was 68206.02 Crore (P&K : 20851.48 Crore, Urea : 47327.6, City Compost : 21.66 Crore and Exp. On DBT professional 5.28 Crore) i.e. 81.71 % of the total allocation.

**6. Submission of Cabinet Note:**

(i). **Non revival of Haldia unit:** Final copies of the CCEA Note were forwarded to the Cabinet Secretariat on 26.07.2018. The proposal for handing over of HFCL land at Haldia to KoPT was delinked from the CCEA Note as per the directions of Cabinet Secretariat and has been taken up separately. Cabinet Secretariat's guidelines dated 25.05.2009 & 04.06.2019 stipulates that the requirement of inter-ministerial consultation was dispensed with in all cases where consultations were held during six months prior to formation of the new Government. Accordingly, the file is under submission for obtaining approval of Hon'ble Minister (C&F) for afresh inter-ministerial consultation on the draft CCEA note

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