

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

Shastri Bhawan, New Delhi
Dated : 20th August, 2020

OFFICE MEMORANDUM

Subject : Monthly Summary to the Cabinet for the month of July 2020-reg.

The undersigned is directed to circulate herewith the Monthly Summary pertaining to the Department of Fertilizers for the month of July 2020, 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. NIC for uploading on DoF website.

Subject : Monthly Summary of Dept. of Fertilizers for the month of July 2020.

1. Overall production performance during the month :

(Fig. in 'LMT')

Product Name	Production during the month	Cumulative production upto the month
Urea	21.80	82.18
DAP	3.29	12.66
Ammonium Sulphate (A/S)	0.68	1.93
Complex Fertilizers	8.12	25.95
Single Super Phosphate	4.70	17.02

Source mfms.nic.in as on 06.08.2020

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

(Fig. in 'LMT')

Product Name	Assessed Requirement	Availability	Sales
Urea	35.53	96.88	50.28
DAP	9.11	47.82	14.64
MOP	4.36	14.71	3.60
Complex	11.26	47.84	16.55

Source of data is Dashboard

3. Details of Imported Finished Fertilizers during the month:

Product Name	Quantity in 'LMT'
Urea	5.24
MOP for Agriculture use	3.56
DAP	7.00
NPK	0.80

4. Progress of revival of closed units of FCIL/HFCL during the month of July, 2020.

(A). REVIVAL OF RAMAGUNDAM UNIT:

i. About the project:

Cabinet in its meeting held on 04.08.2011 approved revival of Ramagundam unit of FCIL through nomination basis by forming a Joint Venture of nominated PSUs by setting up gas based fertilizer plants of 1.27 MMTPA capacity. Accordingly, a JV company was incorporated as Ramagundam Fertilizers & Chemicals Ltd. (RFCL). Equity of NFL & EIL is 26% each and FCIL's 11%. In addition, State Govt. of Telangana has equity of 11%, GAIL -14.3% and HTAS Consortium- 11.7% equity in RFCL. The project activities are closely monitored by Department of Fertilizers (DoF) through monthly review meetings being held under the chairmanship of Secretary (Fertilizers). Further, CEO, NITI Aayog also reviewed the progress of the project on 30.07.2020.

ii. Incremental Progress:

- | | |
|--|--------|
| a. Overall progress upto June, 2020 is | 99.63% |
| b. Incremental progress during July, 2020 is | 0.02% |
| c. Overall progress upto July, 2020 is | 99.65% |
| d. Presently, the project is in pre-commissioning / commissioning stage. | |

iii. Achievement made during the month are :

- Secondary reformer Catalyst loading completed on 15.06.2020 and final box up done 02.07.2020.
- ID/FD balance draft with VFD motors established successfully on 01.07.2020.
- HTER catalyst loading completed on 04.07.2020.
- Ammonia storage Tanks- First Ammonia tanker received at site for the commissioning of Storage tanks on 04.07.2020
- LT reactor catalyst loading completed on 10.07.2020.
- HRSG alkali boil out completed on 12.07.2020.
- PAC couple run done successfully on 16.07.2020.
- IGGU Nitrogen Generation Plant Commissioned on 24.07.2020..
- HRSG steam blowing completed on 29.07.2020.
- Nitrogen blower commissioned successfully on 04.08.2020

(B). REVIVAL OF TALCHER UNIT :

i. About the project :

Cabinet in its meeting held on 04.08.2011 approved revival of Talcher unit of FCIL through nomination basis by forming a Joint Venture of nominated PSUs by setting up gas-based fertilizer plants of 1.27 MMTPA capacity. Accordingly, a JV company was incorporated as Talcher Fertilizers Ltd. (TFL). Equity of GAIL, RCF & CIL in TFL is 31.85% each & FCIL's is 4.45 %. TFL plant is based on Coal Gasification Technology. The project activities are being monitored closely by DoF through monthly review meeting being held under the chairmanship of Secretary (Fertilizers). Further, CEO, NITI Aayog also reviewed the progress of the project on 30.07.2020.

ii. Incremental Progress:

- a. Currently, only pre-project activities of project are underway and project activities at site are expected to commence soon. Incremental progress for the month of July, 2020 and cumulative progress of Pre Project works only (site grading, construction power and water, road and culvert and renovation of few buildings) is given below: -

- Overall progress upto June, 2020 is 61.54 %
 - Incremental progress during July, 2020 is 1.32%
 - Overall progress upto July, 2020 is 62.86%
- b. The main LSTK contractor has only started soil investigation at site. Main activities at site is yet to be started.
 - c. Vide letter dated 17.07.2020, TFL has conveyed that Air Product has submitted a proposal to take over TFL on BOO basis from TFL on a tolling structure or by forming a SPV with majority stake owned by AP. In this connection, vide DO letter dated 27.07.2020 from JS(PS) to Chairman, it was conveyed that TFL may deal with the present proposal and make decision / views on the proposal based on legal and Techno commercial evaluation.
 - d. A proposal regarding formulation of urea policy exclusively for TFL is under active consideration of DoF.
 - e. The TFL project is likely to be commissioned by September, 2023.

(C) REVIVAL OF GORAKHPUR, SINDRI AND BARAUNI UNITS:

About the Project:

Cabinet in its meeting held on 13.07.2016 approved revival of Gorakhpur & Sindri units of FCIL and Barauni unit of HFCL through nomination basis by forming a Joint Venture of nominated PSUs. Accordingly, a JV company was incorporated as Hindustan Urvarak & Rasayan Limited (HURL). Equity of NTPC, IOCL and CIL is 29.67% each whereas in case of FCIL, it is 10.99%. HURL is setting up three Gas based Urea manufacturing units of 1.27 MMTPA capacity each at Gorakhpur, Sindri and Barauni. The project activities are closely monitored by DoF through monthly review meetings being held under the chairmanship of Secretary (Fertilizers). Further, CEO, NITI Aayog also reviewed the progress of the project on 30.07.2020.

Incremental Progress upto July, 2020:

- i. **Gorakhpur Project**
 - a. Overall LSTK progress upto June 2020 is 89.1%
 - b. Incremental LSTK progress during July, 2020 is 1.4 %
 - c. Overall LSTK progress upto July 2020 is 90.4 %

ii. **Barauni Project**

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|----|--|-------|
| a. | Overall LSTK progress upto June 2020 is | 79.7% |
| b. | Incremental LSTK progress during July, 2020 is | 1.3% |
| c. | Overall LSTK progress upto July 2020 is | 81.0% |

iii. **Sindri Project**

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|----|--|-------|
| a. | Overall LSTK progress upto June 2020 is | 79.4% |
| b. | Incremental LSTK progress during July, 2020 is | 1.7% |
| c. | Overall LSTK progress upto July 2020 is | 81.1% |

- All major Long Lead Items have been ordered for all three Projects.
- Vide DoF letter dated 30.07.2020, a copy of Loan Agreement to be executed between Department of Fertilizers and HURL duly approved by DoF and concurred by Department of Expenditure for disbursement of Interest Free Loan to the tune of Rs. 1252 crores to HURL (Rs 422.28 crore, 415.77 crore and 419.77 crore for Gorakhpur, Sindri and Barauni projects respectively) has been conveyed to MD, HURL. Further, HURL has been requested to depute HURL representative duly authorised by HURL Board to sign the agreement on behalf of the HURL along with two witnesses.
- These Projects are likely to start production by 2021.

5. **Expenditure position:**

As against an available budget of Rs. 73939.00 Crore for F.Y. 2020-21, expenditure on administration of fertilizer subsidy during July 2020 was Rs. 5791.28 Crore (Urea: 4188.94 Crore, P&K : 1599.97 Crore, City Compost : 1.17 and DBT professional : 1.20 Crore). Progressive expenditure upto July 2020 was 31959.78 Crore (P&K Fertilizers : 9386.93 Crore, City Compost: 13.16 Crore, Urea : 22556.83 Crore and DBT professional : 2.86 Crore) i.e. 43.22 % of the total allocation.
