

ACHIEVEMENTS OF DEPARTMENT OF FERTILIZERS

(as on 31.12.2014)

- **Notification for Amendment of New Investment Policy (NIP)**

The notification of amendment to New Investment Policy has been notified by this department on 07th October, 2014 to facilitate fresh investment in urea sector in order to make India self-sufficient in the urea sector. As of now, the Department of Fertilizers has received 12 proposals for setting up of Revamp, Expansion, Revival and Greenfield plants from the project proponents based on the amendment to NIP.

- **Policy for encouraging production and availability of fortified and coated urea in the country – req.**

Vide Notification dated 7th January, 2015, Department of Fertilizers approved the removal of cap/restriction to produce Neem Coated Urea. Therefore, the indigenous producers of urea are allowed to produce Neem Coated urea up to maximum of their total production of subsidized urea. It has also been decided to restrict the extra 5% of MRP to be charged by the companies on Neem Coated Urea for future to the extent of 5% of the existing MRP of urea only i.e. Rs 5360 per MT.

- **Fast Tracking Revival of Fertilizer projects**

Sindri

Sindri Unit of Fertilizer Corporation of India (FCIL) is to be revived through the bidding route.

Gorakhpur

Proposal is being finalized for revival of Gorakhpur unit of FCIL by KRIBHCO.

Barauni unit of Hindustan Fertilizer Company Limited (HFCL)

Barauni unit of HFCL through the bidding route is under process in the department.

Talcher Unit

The Talcher unit of FCIL is being revived by consortium of PSUs namely, Rashtriya Chemicals & Fertilizers Limited (RCF), Coal India Limited (CIL), Gas Authority of India Limited (GAIL) & FCIL. It has been proposed to establish two joint venture (JV) companies viz. First company for upstream coal gasification section with GAIL and second company comprising of RCF, CIL and FCIL for downstream section of Ammonia-urea, Nitric Acid, Ammonia Nitrate plants, off sites and utilities. A Joint Venture Agreement/Shareholder's Agreement for the Talcher Project has been

signed on 24.12.2014 among the consortium PSUs. Selection of coal gasification technology is in process. The Financial closure & Zero date is set by 1.01.2015 and the Commissioning of the Project would be by 31.12.2018.

Ramagundam Unit

Ramagundam unit of FCIL is being revived by a consortium of PSUs namely NFL, EIL and FCIL by forming a JV company. The Joint Venture agreement and Concession agreement are under discussion and are being targeted for conclusion/approval by respective boards. EIL & NFL are having discussions with the technology providers. The Award of contract to Technology Licensors would be by 31.03.2015 and the Project completion would be by 30.9.2018.

- **Ensuring Availability of Fertilizers during Kharif and Rabi and Kharif 2014.**

During the Kharif season from April, 2014 to September, 2014 the total requirement of Urea was 146.60 LMT against which a total of 140.96 LMT was made available and as regards NPK fertilizers during the same period the total requirement was 112.52 LMT against which 98.6 LMT was made available. There was no reported shortfall in the demand of Urea and NPK fertilizers.

Rabi 2014

During the Rabi season from October, 2014 to November, 2014 the total requirement of Urea was 67.24 LMT against which a total of 51.66 LMT was made available and as regards NPK fertilizers during the same period the total requirement was 59.03 LMT against which a total of 48.90 LMT was made available. There has no reported shortfall in the demand of Urea and NPK fertilizers during the season so far.

- **Production and Capacity utilization of domestic plants in the Urea/complex fertilizers sector during June-November, 2014.**

Urea

In Urea, the Public Sector Fertilizers units has produced during June-November 2014 was 3536.9 thousand MT which amounts to the Capacity Utilisation of 112.1 % in the corresponding period. In the Cooperative sector the production was 3239 thousand MT which amounts to the Capacity Utilisation of 122.9 % of the corresponding period. In case of the Private sector the production during June-November 2014 was 4704.8 thousand MT which amount to the Capacity Utilisation was 104.3 % in the corresponding period.

Complex Fertilizers

In NPK fertilizers, the Public Sector Fertilizers units has produced during June-November 2014 was 680.2 thousand MT which amounts to the Capacity Utilisation was 62.9 % in the corresponding period. In the Cooperative sector the production was 1094.2 thousand MT which means the Capacity Utilisation was 133.8 % in the corresponding period. In case of the Private sector the production during June-November 2014 was 227.3 Thousand MT which amounts to the Capacity Utilisation was 137.8 % in the corresponding period.

- **Swachh Bharat Abhiyaan**

Department of Fertilizers

- The Department made arrangement to observe “**Swachhta Shapath**” on 2nd October, 2014 and took various actions in this regard like sensitizing of staff, officers, maintaining cleanliness etc.
- Public PSUs and private sector companies were advised to undertake cleanliness drive under CSR in the nearby villages and townships and were also advised to plan large sized toilet complexes near their plants/offices and to maintain it on a sustainable manner.

Fertilizers PSUs

- RCF is setting up a new Sewage Treatment Plant at its Trombay unit which will treat 22.75 MLD Sewage per day at a cost of about Rs. 200 crore. The said project, when goes on-stream, will generate 15 MLD of treated water for usage in plant operation in RCF and BPCL thereby saving fresh water intake to that extent which will benefit about 30,000 families in the city of Mumbai. This will also bring down the pollution load, as under normal course, Municipality discharges this sewage into the sea with minimal mandatory treatment. This project was on November 14, 2014 formally launched by the Minister (Chemicals and Fertilizers) and Chief Minister of Maharashtra.
- RCF also took various measure like tree plantation under “Chembur Green Project”.
- All the Fertilizers PSUs reported observing the “Swachh Bharat Abhiyan” and made efforts to bring awareness among their employees and their family members about the Abhiyaan.

MOST IMMEDIATE

No.H-11021/14/2014-Parl
Government of India
Ministry of Chemicals and Fertilizers
Department of Fertilizers
(Parliament Cell)

New Delhi dated the 7th January, 2015.

OFFICE MEMORANDUM

Sub:- Furnishing material for incorporation in the President's Address both the House of Parliament when they assemble together on the Budget Session, 2015 – reg.

The undersigned is directed to refer to PMO's DO No.H-11020/2/2014-PM(Parl.) dated 15th December, 2014 on the subject mentioned above and to forward requisite material for incorporation in the President's Address both the House of Parliament during Budget Session 2015 of Parliament, pertaining to **Department of Fertilizers**

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