

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS AND FERTILIZERS
RAJYA SABHA
QUESTION NO 12.11.2010
ANSWERED ON
IDLE LAND AND MACHINERY OF HFCL AND FCIL .

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Smt. Viplove Thakur

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

- (a) whether it is a fact that many units of Hindustan Fertilizer Corporation Ltd. (HFCL) and Fertilizer Corporation of India Ltd. (FCIL) are lying closed;
- (b) if so, the details thereof, location-wise;
- (c) the estimated scrap value of machineries and equipments lying in each of the closed unit of HFCL and FCIL along with the estimated present value of land possessed by each of the closed unit;
- (d) whether Government is contemplating gainful utilization of the said land and machinery lying idle since many years; and
- (e) if so, the details thereof and Government's reaction thereto?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(SHRI SRIKANT KUMAR JENA)

(a) & (b) : Yes, Sir. Five Units of the Fertilizer Corporation of India Limited (FCIL) and three Units of Hindustan Fertilizer Corporation Limited (HFCL) are lying closed. Following are the

Unit-wise details:

(i) FCIL

Name of unit Date of commissioning Date of shutdown Date of Govt. decision to close down

Sindri 1979 March, 2002 5.9.2002

Gorakhpur 1969 1990 18.7.2002

Talcher 1980 1.4.1999 18.7.2002

Ramagundam 1980 1.4.1999 18.7.2002

Korba Never commissioned Not applicable 30.7.2002

(ii) HFCL

Name of unit Date of commissioning Date of shutdown Date of Govt. decision to close down

Barauni 1976 1999 5.9.2002

Durgapur 1974 1997 5.9.2002

Haldia Never commissioned Not applicable 18.7.2002

(c) The details of estimated scrap value of machinery and equipments of the closed units of the HFCL and FCIL along with the estimated land value are as under :-

(Rs. in crore)

Units of HFCL/FCIL	Scrap value of un-useable items	Estimated land value
Durgapur (HFCL)	39.84	192.99
Barauni (HFCL)	37.89	128.37
Haldia (HFCL)	37.55	236.69
Sindri (FCIL)	219.44	554.65
Gorakhpur (FCIL)	50.53	367.70
Ramagundam (FCIL)	83.32	120.45
Talcher (FCIL)	84.74	143.21

The preliminary valuation of land has been done by M/s. PDIL. Since both the companies are sick and before the Hon`ble BIFR, the matter of revival is being considered by the BIFR. Therefore, the valuation, the subject matter of the question is subject to the outcome of the proceedings.

(d) & (e):The Government has decided to explore the feasibility of revival of the closed public sector units of HFCL and FCIL subject to assured availability of natural gas. An Empowered Committee of Secretaries (ECOS) has been constituted with the mandate to evaluate all investment options for revival of the closed

units of FCIL/HFCL and to make suitable recommendations for consideration of the Government. ECOS has considered various possible investment options for revival of each of the closed units and have finalized its recommendations. The Department of Fertilizers is examining recommendations of ECOS for decision by competent authority.