

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**RAJYA SABHA**

**UNSTARRED QUESTION NO. 833 TO BE ANSWERED ON: 03.12.2024**

**Status of the Talcher Fertilizer Plant in Odisha**

**833. DR. SASMIT PATRA:**

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

- (a) by when the Talcher Fertilizer Plant in Odisha is expected to be commissioned;
- (b) the reasons for delay in its commissioning;
- (c) the benefits it would accrue to the people of Odisha after its commissioning;
- (d) the present status of the progress of the work so far;

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

**(SMT. ANUPRIYA PATEL)**

---

(a) & (b): Government of India mandated revival of Talcher unit of M/s FCIL, located in Angul district, Odisha. Accordingly, a Joint Venture Company named M/s. 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. LSTK contracts for Coal gasification and Ammonia Urea Package were awarded to M/s Wuhuan Engineering Company Ltd (WECL), China by TFL in September, 2019 and from December, 2019 onwards, COVID-19 pandemic which struck immediately after across the globe, having its epicenter at Wuhan, affected the progress of project in a severe manner till May, 2020. Later, multiple waves of COVID-19 pandemic struck India which resulted in enforcement of lockdown at local levels thereby impacting the progress of project schedule. Further, the progress of the project has been impacted due to backlog in procurement, construction and equipment erection by M/s WECL.

As on 31<sup>st</sup> October, 2024, the overall progress of the project is 63.75%. As regards the Outside Battery Limit (OSBL) Packages, the overall progress is 73.95%. The OSBL Packages like OSBL Pipe rack, Plant lighting, Renovation of non-plant buildings, Boiler-1 & Raw water treatment plant & DM Water Plant are in advanced stage of completion.

Because of above mentioned reasons, the project could not be commissioned by targeted timeline of September, 2024. The progress of the project is regularly reviewed by the JV partners and TFL Board and all efforts are being made by TFL for completion of the project. TFL is also conducting regular VCs with M/s WECL, China Engineering team to resolve the pending engineering issues. Also, since July 2024, TFL has started deducting Mutually Agreed Damages (MAD) from bills of M/s WECL under the existing contract provisions due to slow progress and delays in project completion.

(c) : On completion of the project, the production of Urea in the country will increase by 12.7 LMTPA and will assist in ensuring adequate and timely supply of fertilizers to the farmers in and around Odisha. Also, in addition to the socio-economic development in the region, the setting up of the project will also open up direct and indirect employment opportunities.

(d): The overall physical progress of TFL project as on 31<sup>st</sup> October, 2024 is 63.75%.

\*\*\*\*\*