

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

**UNSTARRED QUESTION NO. 629
TO BE ANSWERED ON 19.12.2017**

Coal Based Urea

629. SHRI P C MOHAN:

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

- (a) whether the Government is having any policy for manufacturing coal based urea since India is having surplus coal at present and if so, the details thereof;
- (b) whether the Government will encourage second-generation bio-fuels also known as advance bio-fuels for setting up of industries to manufacture them in India;
- (c) if so, the details of the estimated saving of petroleum import per annum; and
- (d) the likely impact on the subsidy given by the Government for urea once the coal based urea production started?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS

(RAO INDERJIT SINGH)

(a) : The Government had announced New Investment Policy – 2012 on 2nd January, 2013 and its amendment on 7th October, 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector. The policy is applicable to urea units to be based on gas i.e. natural gas (domestic/RLNG) and CBM. Further, NIP-2012 is also applicable to revival of closed urea units and Greenfield projects based on coal gasification.

(b) & (c).: The Government has allowed procurement of ethanol produced from other non-food feed stocks besides molasses like cellulosic and lingo-cellulosic materials including petrochemical route.

Oil PSUs have entered into Memorandum of Understanding (MoUs) with State Governments and Technology Providers for Second Generation (2G) ethanol Bio-refineries. Foundation Stone of one Bio-refinery has been laid by Hindustan Petroleum Corporation Limited (HPCL) at Bhatinda, Punjab.

Estimated saving in Petroleum imports depends upon the capacity of the upcoming 2G ethanol Bio-refineries.

(d): The urea units will be eligible for subsidy as per the provisions of NIP – 2012. The likely impact on the subsidy given by the Government for urea can only be ascertained upon operationalization/ commencement of the fertilizer plant.
