

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 1269 TO BE ANSWERED ON 09.02.2021

Coal Based Urea

1269: SHRI VELUSAMY P.:
SHRI SHANMUGA SUNDARAM K.:

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

- (a) whether the Government has any policy for manufacturing coal based urea as the country has surplus coal at present and if so, the details thereof;
- (b) whether the Government would encourage second-generation bio-fuels also known as advanced bio-fuels for setting up of industries to manufacture them in the country;
- (c) if so, the estimated savings 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 starts?

ANSWER

MINISTER FOR CHEMICALS & FERTILIZERS

(SHRI D.V. SADANANDA GOWDA)

(a): The Government had announced New Investment Policy (NIP) – 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 said policy is applicable to urea units to be based on gas i.e. Natural Gas (domestic / RLNG) and Coal Based Methane (CBM).

(b) & (c): Government has launched 'National Policy on Biofuels-2018' to encourage and promote use of bio-fuels in the country. Government has *inter-alia* allowed procurement of ethanol produced from other non-food feedstock like cellulosic and lignocellulosic materials. In March, 2019, Government has notified the "Pradhan Mantri JI-VAN (Jaiv Indhan-Vatavaran Anukool fasal awashesh Nivaran) Yojana" for providing financial support for setting up Second Generation (2G) bio-ethanol projects in the country using lignocellulosic biomass and other renewable feedstock.

(d): It cannot be estimated at this stage as the production cost of coal based urea would depend upon many factors like technology adopted, cost of various inputs etc.
