

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

STARRED QUESTION NO. *497 TO BE ANSWERED ON 04.04.2025

Expansion Plans for FACT

***497: SHRI KODIKUNNIL SURESH:**

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

- (a) whether the Government has approved any expansion or modernization plans for Fertilizers and Chemicals Travancore Limited (FACT);
- (b) if so, the details of the proposed expansion including new production units, capacity enhancement and estimated investment;
- (c) whether the Government has allocated any financial assistance or subsidies for FACT's expansion projects;
- (d) if so, the expected timeline for completion of these expansion projects; and
- (e) the manner in which the expansion will impact fertilizer production, employment opportunities and the agricultural sector in Kerala?

ANSWER

MINISTER FOR CHEMICALS & FERTILIZERS AND HEALTH & FAMILY WELFARE

(SHRI JAGAT PRAKASH NADDA)

(a) to (e): A statement is laid on the table of the House.

STATEMENT REFERRED TO LOK SABHA STARRED QUESTION NO. *497 FOR ANSWERING ON 04.04.2025 REGARDING 'EXPANSION PLANS FOR FACT' ASKED BY SHRI KODIKUNNIL SURESH.

(a) to (b): The Union Cabinet on 24.07.2019 approved the proposal for sale of 481.79 acres of land held by FACT to the Government of Kerala and utilization of the sale proceeds by FACT to address its working capital deficiency, improvement of balance sheet and enable the company to enhance physical and financial performance by implementing capacity expansion projects for sustainable growth of the company. The details of expansion/ modernization plans of Fertilizers and Chemicals Travancore Limited (FACT) are as follows:

Details of Expansion/Modernisation of plants of FACT		
Sl. No.	Project	Project Cost
1.	New 1650 Metric Tonne Per Day (MTPD) NPK Plant at Cochin Division.	Rs. 417.23 Crore
2.	10000 MT Ammonia Storage Tank at Cochin Division.	Rs. 138.73 Crore
3.	Construction of 2x5900 MT Phosphoric Acid Storage Tanks at Q10 Berth, Willingdon Island.	Rs. 28.16 Crore
4.	Ammonia Barge for transportation of Ammonia to Production units.	Rs. 18.88 Crore
5.	2x5000 MT Sulphuric Acid Storage Tank at Cochin Division.	Rs. 16.94 Crore
6.	Reconstruction of Ammonia berth at Cochin Port	Rs. 1.19 Crore (Executed under Sagarmala Scheme)

(c) to (d): Fertilizers and Chemicals Travancore Limited (FACT) is implementing the current projects from its internal resources. However, the Government of India had granted a loan of Rs. 1000 Crore in the year 2016 to restart plants for the sustainable operation of the Company and permitted to sell its land generating around Rs. 1400 Crore. The Government of India loan and the proceeds from the sale of land helped the company to revive and support the CAPEX projects.

The expected timeline for completion of the two projects in FACT are related to the work of new 1650 MTPD NPK Plant at Cochin Division and construction of 2x5900 MT Phosphoric Acid storage tanks at Q10 Berth, Willingdon Island are during the year 2025-26. The remaining projects in FACT have already been completed.

(e): The new 1650 MTPD NPK plant is designed to produce various grades of NPK fertilizers, including 20:20:0:13 and DAP 18:46:0, catering to diverse agricultural requirements. With the completion of this project, FACT can enhance fertilizer production capacity from 1 Million MT to 1.5 Million MT per year. The expansion project will generate direct and indirect employment opportunities during both construction and operational phases.

FACT, as the leading fertilizer supplier in Kerala, plays a crucial role in meeting the State's agricultural demands. The increased production capacity of NPK fertilizers is expected to enhance the availability and affordability of essential nutrients for crops. This will enable to better serve the farming community contributing to improved crop yields thereby supporting higher agricultural productivity and economy in Kerala.
