

GOVERNMENT OF INDIA  
MINISTRY OF CHEMICALS & FERTILIZERS  
DEPARTMENT OF FERTILIZERS

**LOK SABHA**

**UNSTARRED QUESTION NO. 1492**  
**TO BE ANSWERED ON : 26.07.2016**

**Availability of Fertilizers**

**1492 SHRI BIDYUT BARAN MAHATO:**  
**SHRI SANGANNA AMARAPPA:**  
**KUNWAR HARIBANSH SINGH:**  
**SHRI S.R. VIJAYKUMAR:**

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

- (a) whether the Government has reviewed the availability of fertilizers in a high level meeting held recently;
- (b) if so, the details and outcome thereof along with the status of availability of fertilizers during the current rainy season and the steps proposed to be taken to provide subsidy for purchase of fertilizers to farmers in rural areas of the country;
- (c) whether the Government has also decided to bring down the MRP of DAP fertilizers recently and if so, the details thereof;
- (d) whether private manufacturers have raised any objection in this regard and if so, the details thereof and the response of the government thereto; and
- (b) whether the Government has any proposal to open new fertilizers factory including in Karnataka and if so, the details and the present status thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS,  
SHIPPING, ROAD TRANSPORT & HIGHWAYS

**(SHRI MANSUKH L. MANDAVIYA)**

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(a) & (b): Department of Agriculture, Cooperation and Farmers' Welfare (DAC&FW) and DOF along with Ministry of Railways are regularly holding video conferences with all the States. The Video Conference is chaired by Joint Secretary of DAC&FW. It has been observed that the availability of fertilizers during the current Kharif season has been adequate. The details are given in the following table:

<Figures in LMT>

<b>Cumulative requirement, availability and sales of fertilizers (Urea, DAP, MOP &amp; NPK) from April to June, 2016.</b>			
<b>Year</b>	<b>Urea</b>		
	<b>Requirement</b>	<b>Availability</b>	<b>Sales</b>
2016-17 (April to June 2016)	6674.38	7541.28	5737.19
	<b>DAP</b>		
	<b>Requirement</b>	<b>Availability</b>	<b>Sales</b>
2016-17 (April to June 2016)	2723.85	2506.36	1507.00
	<b>MOP</b>		
	<b>Requirement</b>	<b>Availability</b>	<b>Sales</b>
2016-17 (April to June 2016)	766.66	665.83	452.04
	<b>NPK</b>		
	<b>Requirement</b>	<b>Availability</b>	<b>Sales</b>
2016-17 (April to June 2016)	2308.21	2461.62	1499.12

Further, subsidy on Urea and 22 grades of Phosphatic&Potassic (P&K) fertilizers is passed on to farmers through fertilizers companies at a MRP, which is much below the delivered cost. While Urea is provided at Government fixed price of Rs. 5360/- MT(excluding taxes etc), the P&K fertilizers are provided to farmers at subsidized price based on the nutrient content on each grade of P&K fertilizer.

(c): As the prices of P&K fertilizers have come down in the international market, the fertilizer companies have reduced the MRP of DAP,MOP and NPK Complex fertilizers by Rs. 2500/MT, Rs.5000/MT and Rs. 1000/MT respectively.

(d): No, Madam.

(e): Department of Fertilizers has notified the New Investment Policy – 2012 on 2<sup>nd</sup> January, 2013 and its amendment on 7<sup>th</sup> October 2014 to facilitate fresh investment in urea sector and to make India self-sufficient in the urea sector. At present, there are following proposals for setting up of Greenfield and Brownfield (Expansion) projects with the Department of Fertilizers:

Company	Projects	Ownership	State
Indo-Gulf Fertilizers Limited -Jagdishpur	Brownfield Expansion urea project at Jagdishpur.	Private	Uttar Pradesh
Chambal Fertilizers & Chemicals Limited-Gadepan	Brownfield Ammonia-Urea units at Gadepan-Kota.	Private	Rajasthan
Matix Fertilizers & Chemicals Limited, Panagarh	Greenfield/Brownfield Ammonia-Urea Fertilizers Complex at Panagarh.	Private	West Bengal
Rashtriya Chemicals & Fertilizers Limited-Thal	Brownfield Ammonia-Urea Expansion project at Thal.	CPSU	Maharashtra
Kanpur Fertilizers & Cement Limited	Greenfield Project at Jabalpur	Private	Madhya Pradesh
Nagarjuna Fertilizers & Chemicals Ltd.	Brownfield Project at Kakinada, Andhra Pradesh.	Private	Andhra Pradesh

Separately, this department has received a proposal from Government of Karnataka for setting up a fertilizer plant in Karnataka state which is presently at nascent stage.

Further, Government has approved to revive five defunct fertilizer units of the Fertilizer Corporation of India Ltd (FCIL)/Hindustan Fertilizer Corporation Ltd.(HFCL) by setting of urea plants having capacity of producing 1.27 Million Metric Ton (MMT) Urea per annum at each of these units. These five units includes Talcher, Ramagundam, Gorakhpur and Sindri units of FCIL and Barauni unit of the HFCL. In addition to these five urea plants Government has also approved to establish a new brownfield Ammonia – Urea Complex (Namrup-IV) in the existing premises of the BVFCL The capacity of this plant will be 8.646 Lakh Metric Ton Per Annum. Present Status of these units is as under:

**Talcher and Ramagundam:** The Cabinet Committee on Economic Affairs in its meeting held on 09.05.2013 approved the nomination route to revive these defunct units. Rashtriya Chemicals & Fertilizers Limited, Gail (India) Ltd, CIL and FCIL have been nominated to revive the Talcher unit while National Fertilizers Limited (NFL), Engineers India Limited (EIL) and FCIL have been nominated to revive the Ramagundam unit. Pre-Project activities to revive these two units is already under progress.

**Gorakhpur, Sindri and Barauni:** The Union Cabinet in its meeting held on 13.07.2016 has approved to revive these defunct fertilizer units by means of Special Purpose Vehicle (SPV) of Public Sector Units (PSUs) namely, National Thermal Power Corporation (NTPC), Coal India Limited (CIL), Indian Oil Corporation Limited (IOCL) and FCIL/HFCL, through nomination route.

**Namrup-IV plant of BVFCL:** BVFCL has issued RFP (Request for Participation) Documents to the two bidders namely M/s GSFC Ltd. and M/s Adani Enterprises which have been found qualified in RFQ (Request for Qualification) stage. Last date for submission of bids is 29/07/2016.

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