

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

LOK SABHA

UNSTARRED QUESTION NO. 445
TO BE ANSWERED ON: **19.07.2016**

Urea plants

445 SHRI S.P. MUDDAHANUME GOWDA:

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

- (a) whether the Union Government proposes to establish ten more urea production Plants in the country, if so, the details thereof;
- (b) whether the Naphtha fed urea units have urged the Government to continue with the existing system of subsidy after the expiry of 100 days period; and
- (c) whether the Government is considering to provide LNG to Naphtha fed urea units if it does not want to continue with the subsidy benefit, if so the details thereof and if not, the reasons therefor?

ANSWER

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

(SHRI MANSUKH L MANDAVIYA)

(a): The Government had notified New Investment Policy (NIP) – 2012 on 02nd January, 2013 and its amendment on 07th October, 2014 to facilitate fresh investment in urea sector and to reduce import dependency. Presently, Department of Fertilizers has received 6 proposals for setting up of Greenfield and Brownfield (Expansion) projects:-

S. No.	Company	Projects	Ownership	State
1.	Kanpur Fertilizers & Cement Limited	Greenfield Project at Jabalpur	Private	Madhya Pradesh
2.	Indo-Gulf Fertilizers Limited –Jagdishpur	Brownfield Expansion urea project at Jagdishpur.	Private	Uttar Pradesh
3.	Chambal Fertilizers & Chemicals Limited-Gadepan	Brownfield of Ammonia-Urea units at Gadepan-Kota.	Private	Rajasthan
4.	Matix Fertilizers & Chemicals Limited-II, Panagarh	Brownfield Ammonia-Urea Fertilizers Complex at Panagarh.	Private	West Bengal
5.	Rashtriya Chemicals & Fertilizers Limited-Thal	Brownfield Ammonia-Urea Expansion project at Thal.	CPSU	Maharashtra
6.	Nagarjuna Fertilizers & Chemicals Ltd.	Brownfield Project at Kakinada, Andhra Pradesh.	Private	Andhra Pradesh

Union Government has also decided to establish following six Brownfield/Revival urea production plants:-

S. No.	Name of the fertilizer unit	Model
1.	Namrup-IV unit of the Bhramaputra Valley Fertilizer Corporation Limited (BVFCL)	PPP Model
2.	Ramagundam unit of Fertilizer Corporation of India Limited (FCIL)	Revival through Special Purpose Vehicle (SPVs) of PSUs
3.	Talcher unit of FCIL	
4.	Gorakhpur unit of FCIL	
5.	Sindri unit of FCIL	
6.	Barauni unit of Hindustan Fertilizer Corporation Limited (HFCL)	

(b) & (c): Yes, Madam. Based on the decision of the CCEA, vide notification dated 17th June, 2015, Department of Fertilizers has allowed continuation of production of three naphtha based urea units, i.e. Madras Fertilizers Limited (MFL)- Manali, Southern Petrochemicals Industries Corporation (SPIC) - Tuticorin and Mangalore Chemicals & Fertilizers Limited (MCFL) with Naphtha as feedstock till these plants get assured supply of gas either by pipeline or by any other means.
