

**GOVERNMENT OF INDIA  
CHEMICALS AND FERTILIZERS  
LOK SABHA**

UNSTARRED QUESTION NO:3713  
ANSWERED ON:25.08.2011  
ESTABLISHMENT OF NEW UREA PLANTS  
Maadam Shri Vikrambhai Arjanbhai

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

- (a) whether the Government is considering to establish some new urea plants in the country with a view to increase the production capacity of urea;
- (b) if so, the details thereof;
- (c) the amount to be invested to establish the above plants and their production capacity;
- (d) whether the country will be self reliant in demand and supply of urea after these plants starts producing urea; and
- (e) if so, the reaction of the Government thereto?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRISRIKANT KUMAR JENA)

(a) to (c): Yes, Madam. Cabinet approved, in principle, the proposal for revival of closed units of HFCL and FCIL April 2007. In October 2008, the Cabinet approved the constitution of an Empowered Committee of Secretaries (ECOS) under the Chairmanship of Secretary (Fertilizers) with the mandate to evaluate all options for revival of closed units of HFCL and FCIL and make suitable recommendations for consideration of CCEA. ECOS has considered the various options and finalized its recommendations. Based on the recommendation of the ECOS, a note for consideration of CCEA has been finalised and forwarded to Cabinet Secretariat on 10th June 2011 for placing it before the Cabinet Committee on Economic Affairs. The Cabinet has approved the proposal on 8th August 2011 with the stipulation that BIFR proceedings be expedited and thereafter, the matter including changes, if any required in bid parameters, be placed before the Committee for a final decision. The capacity of each of the proposed urea plant is 1.15 MTPA each and is estimated to cost Rs. 4500 crores each.

(d) & (e): Presently there is demand supply gap of approximately 75 Lakh MT per annum. The country will be self reliant in urea once the proposed projects of revival, revamp, expansion and Greenfield projects are commissioned.