

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

STARRED QUESTION NO:218
ANSWERED ON:08.12.2011
REVIVAL OF CLOSED FERTILIZER FACTORIES
Pandey Shri Ravindra Kumar;Singh Shri Dushyant

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

- (a) the decline in production and availability of fertilizers due to the closure of the fertilizer manufacturing units in the country;
- (b) whether the Government proposes to privatise the sick/closed units;
- (c) if so, the details thereof; and
- (d) the action taken by the Government thereon?

Answer

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

(a) to (d) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 218 TO BE ANSWERED ON 8.12.2011

(a):Five Units of the Fertilizer Corporation of India Limited (FCIL) and three Units of Hindustan Fertilizer Corporation Limited (HFCL) in the public sector are lying closed. The installed capacity of these closed units was approximately 2.28 Million Metric Ton.

In addition, one urea unit in the private sector viz. Duncan Industries Ltd, (DIL) Kanpur is currently closed due to financial constraints as reported by the company. Further, the urea unit of Fertilizers & Chemicals Travancore (FACT), Cochin is also not in operation.

Urea is being imported to bridge the gap between indigenous production and demand of urea in the country.

(b) to (d) :A proposal for revival of the closed units of HFCL & FCIL was submitted for consideration of Cabinet Committee on Economic Affairs (CCEA) proposing revival of the three closed units namely Sindri, Ramagundam, Talcher units of FCIL on Nomination basis through the consortium of the Public Sector Undertakings (PSUs) and five closed units namely Gorakhpur, Korba of FCIL and Durgapur, Haldia, Barauni of HFCL through a Bidding process. The CCEA has approved the proposal in its meeting held on 4th August 2011 with the stipulation that Board for Industrial and Financial Restructuring (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.