

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

UNSTARRED QUESTION NO:4498
ANSWERED ON:03.05.2012
CONVERSION OF GAS BASED UNITS
Singh Shri Jagada Nand

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

- (a) the number of gas based units converted into urea units during the last three years and the current year;
- (b) the number of non-gas based units at national level identified by the Government to be converted into gas based units along with the reasons therefor and the expenditure likely to be incurred on it;
- (c) whether any policy decision has been taken by the Government for promoting this type of change; and
- (d) if so, the details thereof and the time by which it is likely to be implemented?

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 (SHRI SRIKANT KUMAR JENA)

(a): The Nagarjuna Fertilizers and Chemicals Limited – Kakinada-II and IFFCO-Kalol which were based on naphtha, have started using natural gas in 2009-10. Shriram Fertilizers & Chemicals Limited – Kota unit converted from Naphtha to Natural Gas in September 2006, started utilizing gas partly from September 2007 and utilizing full gas from May 2009. During the current year till date, no unit has been converted to gas based.

(b): At present there are following 8 units in this country which are based on Naphtha and FO/LSHS as feedstock/fuel and are to be converted to gas based, as per NPS-III policy to reduce the cost of production. Government has approved the following proposals for conversion of Fuel Oil/Low Sulphur Heavy Stock (FO/LSHS) based urea unit to gas based unit:- Units Proposal approved/sanction issued on Project cost

UNITS PROPOSAL APPROVED/ SANCTION ISSUED ON PROJECT COST (Rs. In crore)

FO/LSHS BASED UNITS

National Fertilizers Limited - Nangal	08-02-2010	Rs. 1346.20
National Fertilizers Limited - Bathinda	08-02-2010	Rs. 1294.19
National Fertilizers Limited - Panipat	08-02-2010	Rs. 1292.84
Gujarat Narmada Valley Fertilizer Company Limited, Baruch	14-12-2009	Rs. 1215.74

NAPHTHA BASED UNITS

MFL-Chennai

ZIL-Goa Expenditure on conversion has not been estimated/communicated by these companies.

SPIC-Tuticorin

MCFL-Mangalore

(c) & (d) : The policy of New Pricing Scheme (Stage-III) for urea manufacturing units, notified by the Government on 8th March 2007 which has been extended provisionally till further orders states that all the non-gas based plants be converted to gas based plants within a period of three years. Policy beyond NPS(Stage-III) is under consideration of Government.