

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

UNSTARRED QUESTION NO:100
ANSWERED ON:24.02.2015
JOINT VENTURE BETWEEN ONGCL AND CFCL
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) the estimated demand and supply of Chemical Fertilizers in the country at present and projected at the end of next five years;
- (b) the manner in which the country is likely to meet its demand, and the cost annually in financial terms:
- (c) whether there has been an attempt to set up an Urea plant in Tripura under Joint Venture between Oil and Natural Gas Corporations Limited(ONGCL) and Chambal Fertilizers and Chemicals Limited (CFCL) with equity partnership of the Government of Tripura; ;
- (d) if so, the details thereof and the purpose there of along with the allocation identified for the purpose and the time by which the plant is likely to be commissioned , and
- (e) the total amount to be invested for the purpose and the estimated production likely to be made from the purposed plant?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI HANSRAJ GANGARAM AHIR)

(a) : The estimated demand and supply of Chemical Fertilizers in the country during current year 2014-15 are as given below:

Product	Requirement	Availability
Urea	306.70	310.00
DAP	95.94	80.00
MOP	30.26	32.00
Complex	99.80	88.00

All India Demand Projections of Fertilizer 2015-16 to 2019-20

Year	Urea	DAP	NP/NPKs	MOP
2015-16	32858	122.12	111.42	46.43
2016-17	336.77	124.13	114.20	47.93
2017-18	337.54	127.64	118.41	4934
2018-19	345.36	129.50	123.18	50.48
2019-20	353.07	130.14	127.99	50.86

(b): The gap between Demand and production is fulfilled through import. The cost of fertilizers is variable However, the MRP of Urea is statutorily controlled by the Government and at present it is Rs 5360 per tonne

(exclusive of the central excise duty, central sales tax, countervailing duty, State VAT and other local taxes wherever levied) w e f 01s` November, 2012 The difference between the delivered cost of fertilizers at farm gate and MRP payable by the farmer is given by the Government of India to the fertilizer manufacturers as subsidy.

(c)to(e): Yes, Madam. Oil and Natural Gas Corporation (ONGC) and Chambal Fertilizers & Chemicals Limited (CFCL) propose to implement a Greenfield ammonia /urea fertilizer project on a suitable site near ONGC's newly found gas fields at Khubal in North Tripura district. A Memorandum of Understanding (MoU) was signed between Tripura Government, ONGC and CFCL on April 9, 2013, Subsequently, a Steering Committee was constituted with 2 members from ONGC and CFCL to spearhead the pre-project activities. A pre-feasibility study was conducted by M/s Tata Consulting Engineers (TCE) to identify.

i. A suitable site location.

ii. Availability of adequate land measuring approximately 600 acres.

iii. Availability of raw water to achieve storage of about 8 million cubic meter (MCM) to meet plant requirements during non-rainy

period,

iv. Availability of road/rail connectivity, options for product evacuation.

The state government had proposed to allocate land at Rahumchhara. However, site was found technically not-feasible due to hilly terrain and elevation variations of about 100 meters, involved earth work, soil liquefaction tendency, and existence of fault lines in the plot and non-availability of raw water in nearby Juh River. Subsequently, ONGC and CFCL identified alternate site and requested State officials to allocate adequate land at Birchandranagar. ONGC/CFCL have further worked to identify availability of comparatively flatter land at Tea Estates near Birchandranagar. Positive response from the State officials is being awaited. After firm allocation of the site by the State government, project cost estimates and financial viability of the project etc. shall be prepared under Part-B scope of pre-feasibility study.