

Revival of fertilizer plant at Barauni

†3414. SHRI RAM NATH THAKUR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the initiative being taken by Government to re-operationalise the abandoned fertilizer plant located in Barauni, Bihar;

(b) whether it is a fact that the Prime Minister and the concerned Minister had made a declaration during the elections for Legislative Assembly held recently in Bihar with regard to re-operationalising the abandoned plant; and

(c) if so, the details of action taken by Government, so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA): (a) to (c) In 2011, CCEA had approved the Draft Rehabilitation Scheme for revival of all the Units of FCIL and HFCL. It was decided that revival of Barauni of HFCL would be revived through bidding route.

CCEA in its meeting held on 9.5.2013, *inter alia* approved that proposal/action plan on revival of HFCL Units to be taken up once revival of FCIL Units is on track.

M/s. GAIL India Limited (GAIL) is laying a gas pipeline from Haldia (West Bengal) to Jagdishpur (Uttar Pradesh) (JHPL). This pipeline would be passing around 70 km. away from Barauni Unit. To make the gas pipeline financially viable, there is a need of anchor units en-route the pipeline for utilizing the gas. Therefore, it has been decided that revival of Barauni Unit of HFCL, which is en-route of JHPL pipeline should be fast tracked. In terms of this development, the Union Cabinet, on 31.03.2015, approved revival of Barauni Unit through bidding route. However, in view of market conditions and poor response from bidders in case of the Gorakhpur and Sindri Units, the chance of good responses in case of the Barauni Unit were very doubtful. Therefore, it was decided to revive Barauni Unit through nomination route by Public Sector Undertakings.

In the meantime, Union Cabinet in its meeting held on 25.05.2016 approved Financial Restructuring of HFCL by way of waiver of the GoI loans as on 31.03.2015 and the outstanding interest on GoI loan. This helped in making net-worth of HFCL positive and BIFR discharged HFCL from its purview on 12.07.2016.

Thereafter, Union Cabinet in its meeting held on 13.07.2016 has, *inter alia*, decided to revive the Barauni Unit by means of Special Purpose Vehicle (SPV) of Public Sector Units (PSUs) namely, National Thermal Power Corporation (NTPC), Coal India Limited (CIL), Indian Oil Corporation Limited (IOCL) and HFCL, through nomination route.

† Original notice of the question was received in Hindi.