

GOVERNMENT OF INDIA
MINISTRY OF CHEMICALS & FERTILIZERS
DEPARTMENT OF FERTILIZERS

RAJYA SABHA

STARRED QUESTION NO. *204 TO BE ANSWERED ON: 22.03.2022

KRIBHCO fertilizer plant in Nellore district

***204: SHRI PRABHAKAR REDDY VEMIREDDY:**

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

- (a) the details of joint venture entered into with Morocco to set up ₹ 3,000 crores worth of KRIBHCO (Krishak Bharati Cooperative Limited) fertilizer plant in Nellore district of Andhra Pradesh;
- (b) the present status of the project;
- (c) whether there is any cost and time overrun; and
- (d) if so, the details thereof and the reasons therefor?"

ANSWER

MINISTER OF CHEMICALS & FERTILIZERS

(DR. MANSUKH MANDAVIYA)

(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 RAJYA SABHA STARRED QUESTION NO. *204 TO BE ANSWERED ON 22.03.2022 REGARDING "KRIBHCO FERTILIZER PLANT IN NELLORE DISTRICT" ASKED BY PRABHAKAR REDDY VEMIREDDY.

(a): KRIBHCO has informed that a joint venture with a major Phosphoric Acid producer of Morocco to establish a DAP/NPK granulation plant with a capacity of 12 Lakh Metric Ton per annum in Nellore District of Andhra Pradesh, was envisaged with the equity participation and feed stock support from OCP of Morocco.

(b) to (d): Efforts were made by KRIBHCO for carrying out various pre-project activities over a period of around 3 years and acquired various statutory clearances and undertook international competitive bidding for appointment of experienced contractors to establish the project and prepared the Detailed Feasibility Report. However, project was not found to be commercially viable due to high capital cost, high cost of key raw materials like imported Phosphoric Acid and anhydrous Ammonia as well as high transportation costs. Due this reason, the project was not pursued further. Therefore, the issue of cost and time overrun does not arise.
